

**8 July 2013**

**For immediate release to market**

**RHG Board Unanimously Recommends Cash Scheme at 44.1 cents per share and Declares Fully Franked Dividend of 3.0 cents per share**

**Summary**

- Proposed acquisition of all the issued shares in RHG Limited (“RHG”) for cash consideration of 44.1 cents per share to be implemented by Scheme of Arrangement (the “Scheme”) subject to conditions
- The RHG Board unanimously recommends that RHG shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to the independent expert concluding and continuing to conclude that the Scheme is in the best interests of RHG shareholders
- RHG today also determined to pay a fully franked dividend of 3.0 cents per share

**Dividend**

The payment of a fully franked dividend of 3.0 cents per share (“Dividend”) is consistent with RHG’s previously stated policy of paying excess cash flows to shareholders and **is not conditional on the Scheme being implemented, nor does it reduce the Scheme consideration.**

The size of the Dividend reflects previous announcements that the mortgage book is a closed book and that profits and dividends will reduce in line with expected paydowns in the mortgage book.

The following is the Dividend payment timetable:

- Ex Dividend Date: 31 July 2013
- Dividend Record Date: 7 August 2013
- Payment Date: 22 August 2013

**Details of Scheme**

RHG has entered into a Merger Implementation Deed (“MID”) with a syndicate comprising Resimac Limited and Australian Mortgage Acquisition Company Pty Limited (together, the “Resimac Syndicate”). Under the terms of the MID, it is proposed that the Resimac Syndicate will acquire 100% of the ordinary shares in RHG for a **cash consideration of 44.1 cents per share.**

The indicative timetable is at attachment A and the form of MID (without annexures) is at attachment B.

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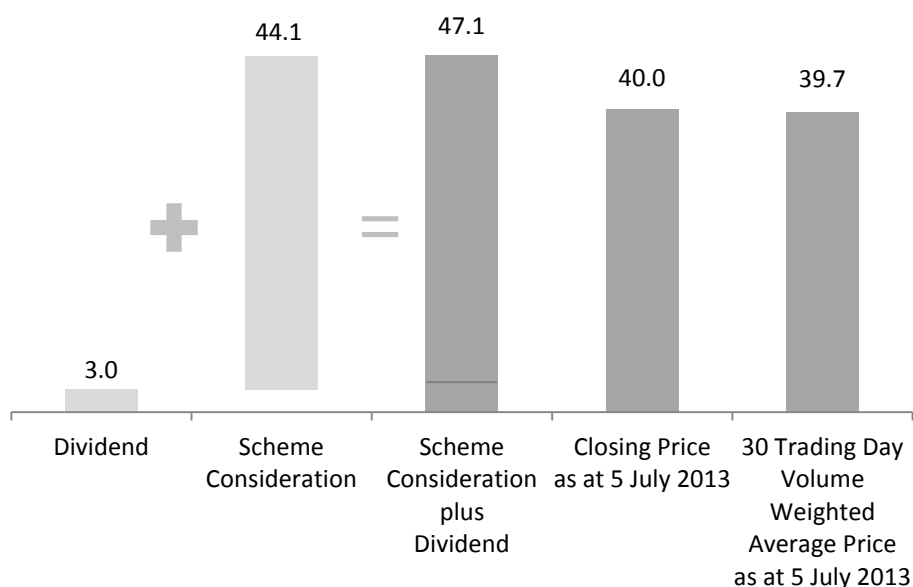
## Total cash payments to RHG shareholders

Assuming that the Scheme is approved and implemented, RHG shareholders on the register on the Scheme Record Date will receive **cash consideration of 44.1 cents per share as part of the Scheme**.

Shareholders who are on the register on the Dividend Record Date will receive the Dividend of 3.0 cents per share in August. The Dividend is not conditional on the Scheme and does not reduce the Scheme consideration.

Accordingly, RHG shareholders on the register on both record dates will receive cash payments totalling 47.1 cents per share.

The total cash payments of 47.1 cents per share would represent a premium to RHG's recent share price trading history<sup>1</sup> as shown in the following chart:



Values in the chart are in cents per RHG share  
Source of trading prices: Bloomberg

If the Scheme is implemented, the total cash that would be received by RHG shareholders who are on the register at both the Dividend Record Date and the Scheme Record Date of 47.1 cents per share represents a premium of:

- 17.8% based on the closing price of RHG shares as at 5 July 2013; and
- 18.7% based on RHG's 30 trading day volume weighted average price as at 5 July 2013.

## Board Recommendation

The RHG Board **unanimously recommends** that RHG shareholders vote in favour of the Scheme, in the absence of a superior proposal<sup>2</sup> and subject to the independent expert concluding and continuing to conclude that the Scheme is in the best interests of RHG shareholders.

<sup>1</sup> Past share price performance is not an indication of future share performance

<sup>2</sup> Note: Certain facility agreements of RHG contain change of control or takeover bid triggers

In forming the view that the Scheme is in the best interests of shareholders, the RHG Board gave regard to the following key considerations:

- Scheme consideration of 44.1 cents per share taken together with the 3.0 cents per share fully franked Dividend (total payments of 47.1 cents per share) exceeds RHG's maximum share price (adjusted for dividends)<sup>3</sup> over the last two years and represents a material premium to RHG's recent share price trading history;
- RHG's mortgage book is a closed book and its business remains in wind down. The Scheme allows RHG shareholders to crystallise the value of their shares in RHG and removes the execution risk involved in paying down the mortgage book and winding up RHG; and
- the Board has received a number of expressions of interest in relation to possible change of control transactions for RHG. The Board believes that the Scheme represents the most compelling proposal received to date.

RHG's Chairman, Mr Glenn Goddard said: *"In April 2011, RHG announced that the Directors intended to distribute all available cash to shareholders by way of dividends. Since that date, RHG has declared and paid fully franked dividends equal to \$1.185 per share. The Scheme provides RHG shareholders with an opportunity to crystallise their remaining investment in RHG for cash at an attractive value and thereby mitigate any risks involved in executing the final wind down of the mortgage book."*

#### **Board Voting Intentions**

Each Director of RHG intends to vote the RHG shares in which they have a relevant interest in favour of the Scheme, in the absence of a superior proposal and subject to the independent expert concluding and continuing to conclude that the Scheme is in the best interests of RHG shareholders.

#### **Scheme Conditions**

The Scheme is intended to be effected by way of a scheme of arrangement under Part 5.1 of the Corporations Act 2001 (Cth) and is subject to conditions set out in the MID, RHG shareholder approval and Court approval.

#### **Exclusivity**

The MID grants the Resimac Syndicate a four month period of exclusivity (subject to the terms and conditions set out in the MID).

#### **Break Fee and Reverse Break Fee**

The MID includes terms and conditions for:

- a break fee of \$1,200,000 in aggregate payable to the Resimac Syndicate in certain circumstances (see clause 11 of the MID); and
- a reverse break fee of \$1,200,000 payable to RHG in certain circumstances (see clause 12 of the MID).

#### **Independent Expert**

RHG has appointed Deloitte Corporate Finance Pty Ltd to prepare an independent expert's report for inclusion in the Scheme Booklet.

<sup>3</sup> Calculated as RHG's closing share price on any day in the last two years less any dividends paid after that day

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## **Scheme Next Steps**

RHG expects to send a Scheme Booklet to shareholders in mid to late August containing full details of the Scheme. The Scheme Booklet will include, among other things, the reasons for the Board's unanimous recommendation and a copy of the independent expert's report.

Further details on the indicative timetable are set out in attachment A.

## **Other Items**

In recommending the Scheme (subject to the conditions noted above), the Board is not advising RHG shareholders on their individual tax or financial position, or investment objectives. RHG shareholders should consult their stockbroker, accountant, tax, financial or other professional adviser about the impact of the Scheme on their particular investment objectives.

RHG is being advised by Greenstone Partners and King & Wood Mallesons.

## **Media enquiries**

For media enquires, please contact:  
David Symons  
+61 410 559 184

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**Attachment A: Indicative Timetable**

<b>Event</b>	<b>Date</b>
Lodge scheme booklet with ASIC	Early August 2013
Application in respect of the Court hearing to be held on the first Court date, filed with the Court, served on ASIC and delivered to ASX	Early August 2013
First Court date	Mid August 2013
Printing and despatch of Scheme Booklet	Mid to late August 2013
Scheme meeting and general meeting to pass financial assistance resolution held	Mid to late September 2013
Notice to ASIC of passage of financial assistance resolution (same date as Scheme meeting)	Mid to late September 2013
Second Court date	Late September to early October 2013
Lodge Court order with ASIC (effective date)	Late September to early October 2013
Record date	Early to mid October 2013
Implementation date	Mid to late October 2013

**Attachment B: Form of Merger Implementation Deed**

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# Merger Implementation Deed

Dated 6 July 2013

Australian Mortgage Acquisition Company Pty Limited (ACN 163 867 016) ("**Acquirer**")

Resimac Limited (ACN 002 997 935) ("**Resimac**")

RHG Limited (ABN 22 055 136 564) ("**Target**")

**King & Wood Mallesons**

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Governor Phillip Tower  
1 Farrer Place  
Sydney NSW 2000  
Australia  
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F +61 2 9296 3999  
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SF:AB:SC

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# Merger Implementation Deed

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# Merger Implementation Deed

## Details

Parties	Acquirer, Resimac and Target	
<b>Acquirer</b>	Name	<b>Australian Mortgage Acquisition Company Pty Limited</b>
	ACN	163 867 016
	Incorporated in	Victoria
	Address	Suite 511, Level 5, 434 St Kilda Road, Melbourne VIC 3004
	Telephone	(02) 8023 4000
	Fax	(02) 8023 4001
	Email	<a href="mailto:trevor.loewensohn@alceon.com.au">trevor.loewensohn@alceon.com.au</a>
	Attention	Trevor Loewensohn
<b>Resimac</b>	Name	<b>RESIMAC LIMITED</b>
	ACN	002 997 935
	Incorporated in	New South Wales
	Address	Level 9, 45 Clarence Street Sydney NSW 2000 Australia
	Telephone	(02) 9248 0300
	Fax	(02) 9248 2304
	Email	MaryC.Ploughman@resimac.com.au
	Attention	Mary Ploughman
<b>Target</b>	Name	<b>RHG Limited</b>
	ABN	22 055 136 564
	Incorporated in	Australian Capital Territory
	Address	Level 6, 222 Pitt Street, Sydney NSW 2000
	Telephone	(02) 8028 2333
	Fax	(02) 9252 0311

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Email [glenn\\_goddard@rhgl.com.au](mailto:glenn_goddard@rhgl.com.au)

Attention Glenn Goddard

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**Target Shares** 308,483,177 fully paid ordinary shares being all of the RHG issued ordinary shares as at the Record Date.

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**Recitals**

A The Target Group funds and services residential home loans in Australia, managing the Securitisation Vehicles (which do not form part of the Target Group).

B The Target and the Acquirer have agreed to merge by means of a members' scheme of arrangement under Part 5.1 of the Corporations Act, under which the Acquirer will acquire the Target Shares.

C The Target and the Acquirer have agreed to implement the Scheme on the terms and conditions of this deed and Resimac has guaranteed the Acquirer's obligations under the Scheme.

D The Acquirer and Resimac have entered into a separate agreement where they have agreed to arrangements as to how the Loan Book Assets will be dealt with following completion of this deed.

E The parties have executed this document as a deed, and for the mutual promises contained herein and other valuable consideration (receipt of which each of them acknowledges).

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**Governing law** New South Wales, Australia

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**Date of deed** See Signing page

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# Merger Implementation Deed

## General terms

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### 1 Definitions and interpretation

#### 1.1 Definitions

These meanings apply unless the contrary intention appears.

**Accounting Standards** means:

- (a) accounting standards as that term is defined in the Corporations Act;
- (b) the requirements of the Corporations Act in relation to the preparation and content of financial reports; and
- (c) if and to the extent that any matter is not covered by the accounting standards or requirements referred to in paragraphs (a) or (b), other relevant accounting standards and generally accepted accounting principles applied from time to time in Australia for a business similar to the Target.

**Acquirer** has the meaning given in the Details.

**Acquirer Board** means the board of directors of the Acquirer as constituted from time to time.

**Acquirer Confidential Information** means all confidential, non-public or proprietary information regardless of how the information is stored or delivered, exchanged between the parties before, on, or after the date of this deed relating to the business, ownership, intentions or other affairs of the Acquirer.

**Acquirer Group** means the Acquirer and its Subsidiaries.

**Acquirer Indemnified Parties** means the Acquirer, its officers and employees, its Related Bodies Corporate and the officers and employees of each of its Related Bodies Corporate.

**Acquirer Information** means the information regarding the Acquirer Group provided by the Acquirer to the Target for inclusion in the Scheme Booklet, being information:

- (a) about the Acquirer Group, its business, its interests and dealings in Target Shares, its intentions for the Target and Target's employees, and funding arrangements; and
- (b) required to be included in the Scheme Booklet under the Corporations Act, Corporations Regulations, the Listing Rules or ASIC Regulatory Guide 60.

For the avoidance of doubt, the Acquirer Information does not include information about the Target Group or SPVs except to the extent it relates to any statement of the Acquirer's intention relating to the Target Group or SPVs following the Effective Date, provided the Acquirer has consented in writing to the inclusion of such statements in the Scheme Booklet.

**Acquirer Nominee** means:

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- (a) the Acquirer; or
- (b) a body corporate nominated by the Acquirer pursuant to clause 4.7, all of the issued shares of which are or will on the Implementation Date be directly or indirectly owned by the Acquirer.

**Action** means an action, dispute, cause of action, claim, demand, investigation, inquiry, prosecution, litigation, proceeding, suit, arbitration, mediation or dispute resolution.

**Ancillary Rights and Claims** means in relation to a Mortgage Loan or Related Security and any Relevant Documents, all Claims and any other right of RMS (to the extent that the same are capable of being or permitted to be assigned by RMS in contract and under applicable law), whether known or unknown, against each obligor in respect of that Mortgage Loan, Related Security or Relevant Document, or any of its affiliates, agents, representatives, contractors or advisors, or any third party, auditor, legal, tax, financial or other professional advisor of RMS, or any third party broker, agent or originator or other person, that in any way is based upon, arises out of or is related to the Mortgage Loan, Related Security or Relevant Document, but excludes any Claims or other rights against any officers and employees of RMS and its Related Bodies Corporate.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange, as appropriate.

**Authorised Investment** means any deposit, bank bill or other debt instrument issued by an "authorised deposit-taking institution" (as that term is defined under the Banking Act 1959 (Cwlth)) incorporated in Australia.

**Authorised Officer** means, in respect of a party, a director or secretary of the party or any other person appointed by a party to act as an Authorised Officer under this deed.

**Benefit Plans** means each severance, incentive, bonus, retention, redundancy, change in control, retirement, long service leave, vacation or paid-time-off, benefit plan, policy, program, agreement or arrangement that is maintained, sponsored by or contributed to by the Target or its Subsidiaries or with respect to which the Target or its Subsidiaries have any liability (if any).

**BNY** means BNY Trust Company of Australia Limited.

**Business Day** means a day:

- (a) that is a business day as defined in the Listing Rules;
- (b) that is not a public holiday in Sydney, Australia; and
- (c) on which banks are open for general banking business in Sydney, Australia.

**Cashflow Schedule** means the cashflow schedule in Annexure D.

**Claim** means any debt, cause of action, Liability, claim, proceeding, suit or demand of any nature howsoever arising and whether present or future, fixed or unascertained, actual or contingent, whether at law, in equity, under statute or otherwise.

**Competing Transaction** means a transaction which, if completed, would mean a person (other than the Acquirer or its Related Bodies Corporate or Resimac or its Related Bodies Corporate) would:

- (a) directly or indirectly, acquire an interest or Relevant Interest in or become the holder of:
  - (i) 10% or more of the Target Shares or more than 50% of the shares in any of the Target's Subsidiaries; or
  - (ii) all or a substantial part or a material part of the assets of the Securitisation Vehicles or the business of the Target or any of its Subsidiaries (including, for this purpose, the business of the SPVs),

including by way of takeover bid, scheme of arrangement, capital reduction, reconstruction, sale of assets, sale of shares or joint venture;

- (b) acquire control of the Target, within the meaning of section 50AA of the Corporations Act;
- (c) other than the Target, be in a position to control the board of directors of an SPV;
- (d) otherwise acquire or merge (including by a reverse takeover bid, joint venture or dual listed company structure) with the Target; or
- (e) enter into any agreement, arrangement or understanding requiring it to abandon, or otherwise fail to proceed with, the Merger.

**Conditions Precedent** means the conditions precedent set out in Schedule 2.

**Confidentiality Agreements** means the confidentiality agreements:

- (a) between the Target and the Acquirer dated on or around 29 May 2013 2013; and
- (b) between the Target and Resimac in its amended form as at around 24 May 2013.

**Confidential Information** means the Acquirer Confidential Information, Resimac Confidential Information or the Target Confidential Information.

**Consolidated Net Tangible Assets** means the consolidated financial position of the Target Group calculated as follows: net assets plus net EIR hedging adjustment less all deferred transaction costs. For clarity, as at 31 May 2013 the Consolidated Net Tangible Assets were \$75,398,000, calculated as \$85,320,000 (net assets) plus \$2,468,000 (net EIR hedging adjustment) less \$12,390,000 (deferred transaction costs). These amounts were sourced from the document number 08.06.06 in the Data Room.

**Controller** has the meaning it has in the Corporations Act.

**Corporations Act** means the Corporations Act 2001 (Cwlth).

**Corporations Regulations** means the Corporations Regulations 2001 (Cwlth).

**Court** means the Federal Court of Australia (Sydney registry), or such other court of competent jurisdiction under the Corporations Act agreed in writing by the parties.



**Cut-Off Data Tape** means the data tape in a form satisfactory to Resimac (acting reasonably) of each Mortgage Loan as at a date no more than 1 Business Day prior to the Implementation Date, containing the same data fields as are in the existing data tape that is in the Data Room plus fields for "Broker Name" and "Broker Trail Rate", where applicable.

**Data Room** means the electronic data room maintained by Ansarada Pty Ltd in connection with the Merger, an index of which as at 9am on 21 June 2013 has been initialled for identification by the parties upon execution of this deed, including written responses to requests for further information in the on-line data room.

**Deed Poll** means a deed poll substantially in the form of Annexure C to this deed.

**Details** means the section of this deed headed "Details".

**Due Diligence Materials** means all documents and information that were at any time during the period ending on 20 June 2013 contained in the Data Room, together with all written answers given to questions submitted by the Acquirer or Resimac prior to the date of this deed in connection with transactions contemplated by this deed.

**Effective**, when used in relation to the Scheme, means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.

**Effective Date** in relation to the Scheme means the date on which the Scheme becomes Effective.

**Encumbrance** means any:

- (a) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power, or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or (2) of the Personal Property Securities Act 2009 (Cwlth); or
- (b) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or
- (c) right that a person (other than the owner) has to remove something from land (known as a profit à prendre), easement, public right of way, restrictive or positive covenant, lease, or licence to use or occupy; or
- (d) third party right or interest or any right arising as a consequence of the enforcement of a judgment,

or any agreement to create any of them or allow them to exist.

**End Date** means the date which is four months from the date of this deed or such other date as is agreed by the Acquirer, Resimac and the Target.

**Excluded Information** means Confidential Information which:

- (a) is in or becomes part of the public domain other than through breach of this deed or an obligation of confidence owed to the party providing the Confidential Information;

- (b) the recipient of the Confidential Information can prove by contemporaneous written documentation was already known to it at the time of disclosure by the party providing the Confidential Information (unless such knowledge arose from disclosure of information in breach of an obligation of confidentiality); or
- (c) the recipient of the Confidential Information acquires from a source other than the party providing the Confidential Information or any Related Body Corporate or Representative of the party providing the Confidential Information where such source is entitled to disclose it.

**Exclusivity Period** means the period from and including the date of this deed to the earlier of:

- (a) the termination of this deed in accordance with its terms; and
- (b) the End Date.

**Financial Assistance Resolution** means the resolution put to a general meeting of Target Shareholders under sections 260A(1)(b) and 260B of the Corporations Act in respect of payment of amounts by Target to Acquirer after the Scheme is implemented and the Mortgage Asset Acquisition Agreement is completed to assist in the repayment of financing of the Scheme Consideration.

**First Court Date** means the first day on which an application made to the Court, in accordance with item 8 of Schedule 4, for orders under section 411(1) of the Corporations Act convening the Scheme Meeting to consider the Scheme is heard.

**Implementation Date** means:

- (a) the third Business Day following the Record Date; or
- (b) if later than the date in (a), the day that is 14 days after the Financial Assistance Resolution is notified to ASIC in accordance with section 260B(6) of the Corporations Act; or
- (c) such other date as is agreed by the Acquirer, Resimac and the Target.

**Incoming Directors** means each person nominated in writing by the Acquirer to the Target prior to the Second Court Date to be appointed to the Target Board.

**Independent Expert** means Deloitte Corporate Finance Pty Limited.

**Independent Expert's Report** means the report prepared by the Independent Expert stating whether, in the Independent Expert's opinion the Scheme is in the best interest of the Target Shareholders.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to any part of its property; or
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this deed); or

- (d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above; or
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand; or
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this deed reasonably deduces it is so subject); or
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

**July Dividend** means a fully franked dividend of 3 cents per Target Share which the Target is permitted to pay prior to implementation of the Scheme.

**Liability** means any liability or obligation (whether actual, contingent or prospective) including for any Loss irrespective of when the acts, events or things giving rise to the liability occurred.

**Listing Rules** means the Listing Rules of ASX.

**LMI Contract** means any insurance policy provided by Genworth Financial Mortgage Insurance Pty Limited (ABN 60 106 974 305), Housing Loans Insurance Corporation (known as GE Mortgage Insurance Pty Limited), QBE Lenders' Mortgage Insurance Limited (ABN 70 000 511 071), Prime Insurance Group Limited or American International Assurance (Bermuda) Limited held in the name of a Securitisation Vehicle.

**Loan Book Contracts** means any of the following deeds, agreements or commitments:

- (a) any LMI Contracts;
- (b) any Relevant Documents; and
- (c) each insurance, and reinsurance contract, to which Prime Insurance Group Limited or American International Assurance (Bermuda) Limited are a party.

**Loan Book** means all of RMS' right, title, estate, interest and benefit (whether present or future, actual or contingent) under or in connection with each:

- (a) Mortgage Loan;
- (b) Related Security; and
- (c) Relevant Document,

and includes any Ancillary Rights and Claims.

**Losses** means all claims, demands, damages, losses, costs, expenses and liabilities.

**Material Contract** means a contract, deed or commitment to which any Target Group entity or SPV is party and which is material to the business of the Target

Group (including, for this purpose, the business of the SPVs) taken as a whole, other than the Loan Book Contracts, and includes Material NIM Contracts.

**Material NIM Contract** means a contract, deed or commitment:

- (a) to which any Securitisation Vehicle is a party, including any contract evidencing any NIMs; or
- (b) in relation to servicing arrangements with Unisys Mortgage Processing (RHG) Pty Limited (including any guarantee provided by Unisys Credit Services Pty Limited),

other than any Loan Book Contracts.

**Merger** means the acquisition of the Target by the Acquirer through the implementation of the Scheme.

**Mortgage Asset Acquisition Agreement** means an agreement to be entered into on or about the date of this deed under which the Acquirer agrees to procure the sale and transfer of the Mortgage Assets (on the Implementation Date immediately after completion of the purchase of the Target Shares under the Scheme) to, or to an entity or entities nominated by, Resimac and includes any related agreements.

**Mortgage Assets** means:

- (a) the Loan Book; and
- (b) all of RMS' and RMC's right, title, estate, interest and benefit (whether present or future, actual or contingent) under or in connection with the LMI Contracts.

**Mortgage Loans** means all loans which were written in the name of RMC.

**NIMs** means, in relation to:

- (a) the Securitisation Trusts, the 1 Residual Income Unit and the 9 Residual Capital Units owned by RHG Home Loans Pty Ltd and any rights that RHG Treasury Services Pty Limited and Receivables Servicing Pty Limited have to receive any fees from RMS under any Material NIM Contract; and
- (b) RMC, the rights RHG Home Loans Pty Ltd has to any fees or other income associated with its role as originator and any rights that RHG Treasury Services Pty Limited and Receivables Servicing Pty Limited have to receive any fees from RMC under any Material NIM Contract.

**Outgoing Directors** means each person nominated in writing by the Acquirer to the Target prior to the Second Court Date as being required to resign from the Target Board.

**Quarter** means a calendar quarter, commencing on 1 January, 1 March, 1 July and 1 October.

**Record Date** means 7.00pm on the fifth Business Day following the Effective Date or such other date (after the Effective Date) as the Target, Resimac and the Acquirer agree.

**Register** means the register of members of the Target maintained by or on behalf of the Target in accordance with section 168(1) of the Corporations Act and **Registry** has a corresponding meaning.

**Regulator's Draft** means the draft of the Scheme Booklet which is provided to ASIC for approval pursuant to section 411(2) of the Corporations Act.

**Regulatory Authority** includes:

- (a) ASX;
- (b) ASIC;
- (c) a government or governmental, semi-governmental or judicial entity or authority;
- (d) the Bermuda Monetary Authority;
- (e) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (f) any regulatory organisation established under statute.

**Regulatory Review Period** means the period from the date on which the Regulator's Draft is submitted to ASIC to the date on which ASIC confirms that it does not intend to make any submissions at the Court hearing on the First Court Date or otherwise object to the Scheme.

**Related Body Corporate** has the meaning it has in the Corporations Act.

**Relevant Document** means in relation to each Mortgage Loan and Related Security, all of the documents which evidence the obligations of any obligor in respect of that Mortgage Loan and Related Security, and any powers of attorney authorising any signatories to any such documents.

**Related Security** means, in relation to a Mortgage Loan, the rights, title and interest of any Securitisation Vehicle in any mortgage, deed of trust, pledge, assignment, deposit arrangement, lien, charge, claim, security interest, guarantee, easement or encumbrance, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever which is held as security for any amounts owing by an obligor under that Mortgage Loan.

**Relevant Interest** has the same meaning as given by sections 608 and 609 of the Corporations Act.

**Representative** means, in relation to a party:

- (a) a Related Body Corporate;
- (b) a director, officer or employee of the party or any of the party's Related Bodies Corporate; or
- (c) an adviser to the party or any of the party's Related Bodies Corporate, where an "adviser" means, in relation to an entity, a financier, financial adviser, corporate adviser, legal adviser, or technical or other expert adviser or consultant who provides advisory services in a professional capacity and who has been engaged by that entity.

**Resimac** has the meaning given in the Details.

**Resimac Board** means the board of directors of the Resimac as constituted from time to time.

**Resimac Confidential Information** means all confidential, non-public or proprietary information regardless of how the information is stored or delivered,

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exchanged between the parties before, on, or after the date of this deed relating to the business, ownership, intentions or other affairs of Resimac.

**Resimac Group** means Resimac and its Subsidiaries.

**Resimac Indemnified Parties** means Resimac, its officers and employees, its Related Bodies Corporate and the officers and employees of each of its Related Bodies Corporate.

**Resimac Information** means the information regarding the Resimac Group provided by Resimac to the Target for inclusion in the Scheme Booklet, being information:

- (a) about the Resimac Group, its business, its interests and dealings in Target Shares, its intentions, and funding arrangements; and
- (b) required to be included in the Scheme Booklet under the Corporations Act, Corporations Regulations, the Listing Rules or ASIC Regulatory Guide 60.

For the avoidance of doubt, the Resimac Information does not include information about the Target Group or the SPVs.

**Resolutions** means the resolution to approve the Scheme and the Financial Assistance Resolution.

**RHG Mortgage Securities Trust** means the RHG Mortgage Securities Trust in respect of each of the following Series:

- (a) the RMS Warehouse Series (GSF) 2004-1;
- (b) the RMS Series 2009-1 (formerly the Titan Conduit Series 1);
- (c) the Warehouse Series 2008 W1; and
- (d) the RHG Series.

**Rights** means all accretions, rights or benefits of whatever kind attaching to or arising from the Target Shares directly or indirectly after the date of this deed, including all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares or other securities, which are declared, paid or made by the Target or a Subsidiary of the Target, but excludes the July Dividend.

**RMC** means RHG Mortgage Corporation Limited (ABN 48 065 912 932).

**RMS** means RHG Mortgage Securities Limited (ABN 30 094 753 349) in its capacity as trustee of each Securitisation Trust.

**Scheme** means the scheme of arrangement between the Target and Scheme Participants under which all the Scheme Shares will be transferred to the Acquirer under Part 5.1 of the Corporations Act substantially in the form of Annexure B together with any amendment or modification made pursuant to section 411(6) of the Corporations Act.

**Scheme Booklet** means, in respect of the Scheme, the information booklet to be approved by the Court and despatched to the Target Shareholders which must:

- (a) include the Scheme, the Deed Poll, the Independent Expert's Report, an explanatory statement complying with the requirements of the Corporations Act, notices of the Scheme Meeting and of a general

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meeting of Target Shareholders (to be held immediately after the Scheme Meeting) to pass the Financial Assistance Resolution and proxy forms; and

- (b) comply with the Corporations Act, Corporations Regulations, ASIC Regulatory Guide 60 and the Listing Rules.

**Scheme Consideration** means a cash payment of \$0.441 for each Scheme Share less the amount of any dividend or distribution declared or paid by Target on or after the date of this deed (for avoidance of doubt, other than the July Dividend), in accordance with the terms of this deed and the terms of the Scheme.

**Scheme Meeting** means the meeting to be convened by the Court at which the Target Shareholders will vote on the Scheme.

**Scheme Participants** means each person who is a Target Shareholder at the Record Date.

**Scheme Shares** means all Target Shares held by Scheme Participants as at the Record Date and for the avoidance of doubt includes any Target Shares issued on or before the Record Date.

**Second Court Date** means the day on which the Court makes an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme.

**Second Shortfall Financing Option Deed** means the deed entitled "Second Shortfall Financing Option Deed" dated 27 August 2009 between RMC, RMS, National Australia Bank Limited, BNY, Permanent Custodians Limited, RHG Treasury Services Pty Limited, Receivables Servicing Pty Limited and RHG Home Loans Pty Limited (as amended).

**Securitisation Trusts** means the RMS Trust 2002-1, the RMS Trust 2004-1E and the RHG Mortgage Securities Trust.

**Securitisation Vehicle** means RMS and RMC.

**Specified Events** means an event, occurrence or matter that:

- (a) occurs or fails to occur on or after the date of this deed;
- (b) occurs or fails to occur before the date of this deed but is disclosed to the Acquirer and Resimac or only announced or publicly disclosed after the date of this deed; or
- (c) will or is likely to occur or fail to occur on or after the date of this deed and which has not been disclosed to the Acquirer and Resimac or announced or publicly disclosed prior to the date of this deed.

**SPV** means each of RMC, RMS and Better Servicing Pty Ltd.

**Subsidiaries** has the meaning it has in the Corporations Act.

**Superior Proposal** means a bona fide Competing Transaction which the Target Board, acting reasonably and in good faith, and after receiving written advice from its legal and financial advisers, determines:

- (a) is reasonably capable of being completed in a timely basis taking into account all aspects of the Competing Transaction; and

- (b) is more favourable to the Target Shareholders than the Scheme, in the opinion of the Target Persons, taking into account all terms and conditions of the Competing Transaction.

**Target** has the meaning given in the Details.

**Target Board** means the board of directors of the Target as constituted from time to time.

**Target Confidential Information** means all confidential, non-public or proprietary information regardless of how the information is stored or delivered, exchanged between the parties before, on or after the date of this deed relating to the business, technology or other affairs of the Target Group and SPVs.

**Target Director** means a director on the Target Board, being Glenn Goddard, Richard Nott, John Kean, Gabriel Radzyminski and Paul Jensen as at the date of this deed.

**Target Group** means the Target and its Subsidiaries.

**Target Group Director** means a member of the board of a company which is a member of the Target Group.

**Target Indemnified Parties** means the Target, each of the SPVs and each of their respective officers and employees and Related Bodies Corporate and the officers and employees of each of their Related Bodies Corporate.

**Target Information** means all information contained in the Scheme Booklet other than the Acquirer Information, Resimac Information and the Independent Expert's report.

**Target Material Adverse Change** means a Specified Event which individually, or when aggregated with other Specified Events of a similar kind or category, has resulted in, or is reasonably likely to result in:

- (a) the Consolidated Net Tangible Assets of the Target Group as at the Implementation Date being \$5,000,000 (or more) less than the amount specified in the Consolidated Net Tangible Assets column of the Cashflow Schedule (adjusted for the amount of the July Dividend and estimated Transaction Costs of \$2,500,000, provided there is no double counting of these amounts) in respect of that date (and for this purpose, if the Implementation Date is not a date specified in the Cashflow Schedule, then the amount taken to be so specified in respect of it shall be calculated as a pro rata amount, using the amounts as at the two closest specified dates);
- (b) a reduction of the aggregate value of the Mortgage Loans by more than the equivalent of 5% per month;
- (c) Mortgage Loans in arrears for greater than 30 days rise from current levels to 7.5% or greater (by value) of all Mortgage Loans; or
- (d) a material and adverse effect on the business, assets, financial condition, results, operations, reputation or prospects of the Target Group (as a whole) including:
  - (i) any material default by the Target Group or any member of the Target Group under their existing financing facilities; or
  - (ii) any material Action threatened or commenced against any member of the Target Group or any SPV (including any Action



where the amount claimed exceeds \$2,000,000) other than an Action relating only to an asset in the Loan Book,

but does not include any matter, event, circumstance or change:

- (e) fairly disclosed in the Due Diligence Materials, or that is reasonably foreseeable to arise and has been fairly disclosed in the Due Diligence Materials (however, any Transaction Costs in excess of \$2,500,000 in aggregate are not to be taken to have been fairly disclosed or reasonably foreseeable for the purposes of this paragraph);
- (f) occurring as a result of any matter, event or circumstance required by this deed, the Scheme or the transactions contemplated by them (including any reasonable costs incurred as a result of implementing the Scheme, but not including any Transaction Costs in excess of \$2,500,000 in aggregate);
- (g) occurring as a result of fluctuations to the working capital of the Target Group in the ordinary course of business;
- (h) occurring as a result of the amortisation of the Loan Book held by the Securitisation Vehicles in the ordinary course;
- (i) resulting from changes in the general economic conditions of the Target's industry or laws in any of the jurisdictions in which the Target operates;
- (j) fairly disclosed to ASX or to the Acquirer and Resimac prior to the date of this deed, as a result of a declaration of the July Dividend;
- (k) that occurs with the written consent of the Acquirer and Resimac; or
- (l) resulting from changes in generally accepted accounting principles or the interpretation of them by any professional body or government agency.

**Target Prescribed Event** means, except to the extent contemplated by this deed or the Scheme, any of the events listed in Schedule 1 provided that a Target Prescribed Event will not occur where the Target has first consulted with the Acquirer and Resimac in relation to the event and the Acquirer and Resimac has approved in writing the proposed event.

**Target Share** means an issued fully paid ordinary share in the capital of the Target (the aggregate number of which as at the date of this deed is set out in the Details), together with all Rights attached to that share.

**Target Shareholder** means each person registered in the Register as a holder of Target Shares.

**Target Persons** means each Target Director as at the date of this deed.

**Timetable** means the timetable set out in Schedule 3, subject to any amendments as the Acquirer, Resimac and Target may agree in writing in accordance with clause 5.1(b) and provided that, at the time of development of the Scheme Booklet, the parties will seek to agree in good faith a more detailed timetable which must be as expeditious as possible.

**Transaction Costs** means the costs incurred in relation to the Merger, relating to the expenses incurred by King & Wood Mallesons, the Independent Expert and Greenstone Partners other than costs:

- (a) in relation to compliance with clauses 3.8, 8.2(h), 10.9 and 14 of this deed; or
- (b) relating to any tax ruling, any objection by or negotiations with any Regulatory Authority or failure by the Court to:
  - (i) convene the Scheme meeting on the First Court Date or
  - (ii) approve the Scheme on the Second Court Date; or
- (c) costs attributable to the default, failure, delay or lack of reasonable co-operation by the Acquirer, Resimac or their advisers;
- (d) incurred by the Target with the prior consent of the Acquirer and Resimac that such costs should fall outside the definition of Transaction Costs, such consent not to be unreasonably withheld; or
- (e) incurred by the Target prior to 1 June 2013.

**Transaction Implementation Working Group** means a working group, who reporting to the full Target Board, is to be made up of:

- (a) management of each of the Target, the Acquirer and Resimac;
- (b) representatives from each of the legal advisers of the Target, the Acquirer and Resimac; and
- (c) such other persons as the parties may agree from time to time.

**Trust Account** means the trust account referred to in clause 4.6(a).

**Unisys Contract** means each Material NIM Contract referred to in paragraph (b) of the definition of Material NIM Contract.

**Westpac Subscription Agreement** means the deed entitled "RHG Mortgage Securities Trust Warehouse Series 2008-W1 Warehouse Subscription Agreement" dated 27 October 2007 between, amongst others, RMS, Westpac Banking Corporation, RHG Home Loans Pty Limited, RHG Treasury Services Pty Limited and Receivables Servicing Pty Limited (as amended).

## 1.2 References to certain general terms

Unless the contrary intention appears, a reference in this deed to:

- (a) **(variations or replacement)** a document (including this deed) includes any variation or replacement of it;
- (b) **(clauses, annexures and schedules)** a clause, annexure or Schedule is a reference to a clause in or annexure or Schedule to this deed;
- (c) **(reference to statutes)** a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) **(law)** law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);

- (e) **(singular includes plural)** the singular includes the plural and vice versa;
- (f) **(person)** the word “person” includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any Regulatory Authority;
- (g) **(executors, administrators, successors)** a particular person includes a reference to the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (h) **(reference to a group of persons)** a group of persons or things is a reference to any two or more of them jointly and to each of them individually;
- (i) **(dollars)** Australian dollars, dollars, A\$ or \$ is a reference to the lawful currency of Australia;
- (j) **(calculation of time)** a period of time dating from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (k) **(reference to a day)** a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (l) **(accounting terms)** an accounting term is a reference to that term as it is used in Accounting Standards;
- (m) **(meaning not limited)** the words “include”, “including”, “for example” or “such as” when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind; and
- (n) **(time of day)** time is a reference to Sydney, New South Wales time.

### 1.3 Next day

If an act under this deed to be done by a party on or by a given day is done after 5.30pm on that day, it is taken to be done on the next day.

### 1.4 Next Business Day

If an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day.

### 1.5 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this deed.

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## 2 Agreement to propose Scheme and implement Merger

### 2.1 Target to propose Scheme

The Target agrees to propose the Scheme on and subject to the terms and conditions of this deed.

### 2.2 Acquirer and Resimac to assist with Scheme

The Acquirer and Resimac agree to assist the Target to propose the Scheme on and subject to the terms and conditions of this deed.

## 2.3 Agreement to implement Merger

The parties agree to implement the Merger on the terms and conditions of this deed.

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## 3 Conditions Precedent

### 3.1 Conditions Precedent

Subject to this clause 3, the Scheme will not become Effective and the obligations of the Acquirer and Resimac under clause 4.3 are not binding unless each of the Conditions Precedent contained in Schedule 2 are satisfied or waived to the extent and in the manner set out in clauses 3.2 and 3.3.

### 3.2 Benefit of certain Conditions Precedent

A Condition Precedent may only be waived in writing by a party entitled to the benefit of that Condition Precedent as noted in the table set out in Schedule 2 and will be effective only to the extent specifically set out in that waiver.

A party entitled to waive the breach or non-fulfilment of a Condition Precedent under this clause 3.2 may do so in its absolute discretion.

### 3.3 Waiver of Conditions Precedent

If the Target, the Acquirer or Resimac waives the breach or non-fulfilment of a Condition Precedent in accordance with this clause, then:

- (a) subject to subclause 3.3(b), that waiver precludes that party from suing the other parties for any breach of this deed arising as a result of the breach or non-fulfilment of that Condition Precedent or arising from the same event which gave rise to the breach or non-fulfilment of that Condition Precedent; but
- (b) if the waiver of the Condition Precedent is itself conditional and the other party or parties:
  - (i) accept the condition, then the terms of that condition apply notwithstanding any inconsistency with subclause 3.3(a); or
  - (ii) do not accept the condition, then the Condition Precedent has not been waived.

### 3.4 Best endeavours

Each of the Target, the Acquirer and Resimac agree to use their best endeavours to procure that:

- (a) each of the Conditions Precedent for which they are responsible, as noted in the table set out in Schedule 2:
  - (i) is satisfied as soon as practicable after the date of this deed; and
  - (ii) where a Conditions Precedent is required to be satisfied:
    - (A) over a stated period, continues to be satisfied at all times until the last time it is to be satisfied as noted in the table set out in Schedule 2 (as the case may require); and
    - (B) at a specific time, at that time; and

- (b) there is no occurrence that would prevent the Conditions Precedent for which they are responsible, as noted in the table set out in Schedule 2, being satisfied.

### 3.5 Regulatory matters

Without limiting clause 3.4, each party:

- (a) **(approvals)** must promptly apply for all consents, waivers and approvals of a Regulatory Authority which the Acquirer, Resimac and the Target, acting reasonably, consider are necessary or desirable to implement the Scheme ("**Regulatory Approvals**") and take all steps it is responsible for as part of the approval process for the Scheme, including responding to requests for information at the earliest practicable time, but the parties are not required to take any action which would require the divestiture of material assets of the Target, the SPVs, the Acquirer or Resimac or their Subsidiaries except in accordance with the transactions contemplated by this deed;
- (b) **(representation)** has the right to be invited to be represented and make submissions at any proposed meeting with any Regulatory Authority relating to any Regulatory Approval; and
- (c) **(consultation)** must use its best endeavours to consult with the other parties in advance in relation to all material communications (whether written or oral, and whether direct or via a Representative) with any Regulatory Authority relating to any Regulatory Approval ("**Communications**") and, without limitation:
- (i) provide the other parties with drafts of any material written Communications to be sent to a Regulatory Authority and make such amendments as the other parties reasonably require; and
  - (ii) provide copies of any material written Communications sent to or received from a Regulatory Authority to the other parties promptly upon despatch or receipt (as the case may be),

in each case to the extent it is reasonable to do so.

### 3.6 Notices in relation to Conditions Precedent

Each party must:

- (a) **(notice of satisfaction)** promptly notify the others of satisfaction of a Condition Precedent and must keep the others informed of any material development of which it becomes aware that may lead to the breach or non-fulfilment of a Condition Precedent;
- (b) **(notice of failure)** immediately give written notice to the others of a breach or non-fulfilment of a Condition Precedent, or of any event which will prevent a Condition Precedent being satisfied; and
- (c) **(notice of waiver)** upon receipt of a notice given under subclause 3.6(b), give written notice to the other parties as soon as possible (and in any event before 8.00am on the Business Day before the Second Court Date) as to whether or not it waives the breach or non-fulfilment of any Condition Precedent resulting from the occurrence of that event, specifying the Condition Precedent in question.

### **3.7 Effect of waiver or non-fulfilment**

A waiver of such breach or non-fulfilment in respect of one Condition Precedent does not constitute:

- (a) a waiver of the breach or non-fulfilment of any other Condition Precedent resulting from the same event; or
- (b) a waiver of the breach or non-fulfilment of that Condition Precedent resulting from any other event.

### **3.8 Consultation on failure of Condition Precedents**

If:

- (a) there is a breach or non-fulfilment of a Condition Precedent which is not waived in accordance with this deed by the earlier of the End Date and the time or date specified in this deed for the satisfaction of the Condition Precedent;
- (b) there is an act, failure to act or occurrence which will prevent a Condition Precedent being satisfied by the time or date specified in this deed for the satisfaction of the Condition Precedent (and the breach or non-fulfilment which would otherwise occur has not already been waived in accordance with this deed); or
- (c) if the Scheme has not become Effective by the End Date,

then the parties must consult in good faith with a view to determining whether:

- (d) the Merger may proceed by way of alternative means or methods;
- (e) to extend the relevant time for satisfaction of the Condition Precedent or to adjourn or change the date of an application to the Court; or
- (f) to extend the End Date.

### **3.9 Failure to agree**

If the parties are unable to reach agreement under clause 3.8 within five Business Days (or any shorter period ending at 8.00am on the Business Day before the Second Court Date):

- (a) subject to subclause 3.9(b), any of the parties may terminate this deed (and such termination will be in accordance with clause 15.1(e)(i)); or
- (b) if a Condition Precedent may be waived and exists for the benefit of one party only, that party only may waive that Condition Precedent or terminate this deed (and such termination will be in accordance with clause 15.1(e)(ii)),

in each case before 8.00am on the Second Court Date. A party will not be entitled to terminate this deed pursuant to this clause 3.9 if the relevant Condition Precedent has not been satisfied or agreement cannot be reached as a result of a breach of this deed by that party.

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## **4 Outline of Scheme**

### **4.1 Scheme**

Subject to the terms and conditions of this deed, the Target agrees to propose the Scheme to Scheme Participants under which:

- (a) all of the Scheme Shares will be transferred to the Acquirer; and
- (b) Scheme Participants will receive the Scheme Consideration from the Acquirer for each Scheme Share.

#### 4.2 Payments

Pursuant to the Scheme, Scheme Participants will receive the Scheme Consideration for each Scheme Share in accordance with the Scheme and the Deed Poll.

#### 4.3 Scheme Consideration

- (a) The Acquirer covenants in favour of the Target (in its own right and on behalf of each Scheme Participant) that in consideration of the transfer to the Acquirer of each Scheme Share held by a Scheme Participant, the Acquirer will, on the Implementation Date (but subject to clause 8.6(c)), pay to that Scheme Participant the Scheme Consideration for each Scheme Share and for that purpose will pay the Scheme Consideration into the Trust Account for despatch as soon as is practicable.
- (b) By the First Court Date, the Acquirer will have available to it, and will provide the Target with written evidence of, sufficient cash amounts whether from:
  - (i) internal cash resources; or
  - (ii) external funding arrangements; or
  - (iii) a combination of both (i) and (ii),

to satisfy its obligation to pay the Scheme Consideration in accordance with clause 4.3(a).

#### 4.4 Resimac guarantee

- (a) Resimac guarantees the due and punctual performance and observance by the Acquirer of all of the Acquirer's obligations under this deed, including but not limited to the Acquirer's obligations to pay the Scheme Consideration in accordance with clause 4.3(a) (provided that Resimac's guarantee only extends to the Acquirer's compliance with clause 5.5 to the extent that such compliance relates to any employee entitlements or redundancy entitlements) (**Guaranteed Obligations**).
- (b) The obligations of Resimac under clause 4.4(a) remain unaffected despite:
  - (i) an amendment to this deed;
  - (ii) a rule of law or equity to the contrary;
  - (iii) an insolvency event affecting a person or the death of a person;
  - (iv) a change in the constitution, membership or partnership of a person;
  - (v) the Guaranteed Obligations not being enforceable at any time (whether by reason of a legal limitation, disability or incapacity on the part of Resimac and whether this deed is void ab initio or is subsequently avoided) against Resimac; or

- (vi) another thing happening that might otherwise release, discharge, or affect the obligations of Resimac under this deed.
- (c) Resimac must make all payments required by it under this clause 4.4, in full, without set off and free and clear of any withholding or deduction. If Resimac is required to withhold or deduct any tax, duty, impost, charge, withholding, rate, levies or other governmental imposition of any nature together with associated costs, charges, interest, penalties, fines or expenses (**Taxes**) so that the beneficiaries of the guarantee would not actually receive on the due date the full amount then Resimac must ensure that the amount payable is increased so that, after making that deduction and deductions applicable to additional amounts payable under this paragraph, the beneficiaries of the guarantee are entitled to receive, and does receive, the amount it would have received if no deductions had been required. Resimac must ensure any deductions required are made and pay the full amount deducted to the relevant governmental body in accordance with applicable law.
- (d) Resimac's obligations under this clause 4.4 are absolute, unconditional and irrevocable. The liability of Resimac under this clause 4.4 extends to and is not affected by any circumstance, act or omission which, but for this paragraph, might otherwise affect it at law or in equity. The guarantee in this clause 4.4 is a continuing security, and remains in full force until all of the Guaranteed Obligations have been fully paid and satisfied.
- (e) Resimac agrees that if a payment or other transaction relating to the Guaranteed Obligations is void, voidable, unenforceable or defective for any reason or a related claim is upheld, conceded or settled (each an **Avoidance**), then even though the beneficiaries of the guarantee should have known of the Avoidance:
  - (i) each right, power, discretion or remedy of the beneficiaries of the guarantee and Resimac's liability under this clause 4.4 will be what it would have been, and will continue, as if the payment or transaction the subject of the Avoidance had not occurred; and
  - (ii) Resimac will immediately execute and do anything necessary or required by the beneficiaries of the guarantee to restore the beneficiaries of the guarantee to its position immediately before the Avoidance.
- (f) This clause 4.4 is:
  - (i) a principal obligation and is not to be treated as ancillary to another right or obligation; and
  - (ii) independent of and not in substitution for or affected by another security interest or guarantee or other document or agreement which the beneficiaries of the guarantee or another person may hold concerning the Guaranteed Obligations.
- (g) The beneficiaries of the guarantee may enforce this clause 4.4 against Resimac without first having to resort to another guarantee or security interest or other agreement relating to the Guaranteed Obligations.
- (h) Resimac acknowledges providing this guarantee and incurring obligations and rights under this deed for valuable consideration.



#### **4.5 Undertakings held as agent or trustee**

The Target acknowledges that the undertakings by the Acquirer and Resimac in clause 4.3, 4.4 and 5.5 are given to the Target in its own right and in its capacity as trustee or agent for each Scheme Participant and employees of any member of the Target Group.

#### **4.6 Payment to Scheme Participants**

The Target must:

- (a) receive in a trust account in accordance with the Scheme and as agent for each Scheme Participant the amount paid in accordance with clause 4.3;
- (b) pay to each Scheme Participant such moneys as each Scheme Participant is entitled to receive in accordance with the Scheme; and
- (c) otherwise comply with its obligations under the Scheme.

#### **4.7 Appointment of the Acquirer Nominee**

On or before the date which is five Business Days before the Second Court Date, the Acquirer may by written notice to the Target nominate the Acquirer Nominee. If the Acquirer Nominee is not the Acquirer all references in this deed to the Acquirer acquiring the Scheme Shares and paying the Scheme Consideration are to be construed as if references to the Acquirer were replaced with references to the nominated Acquirer Nominee, except that the Acquirer shall remain responsible for the performance of those obligations with the Acquirer Nominee.

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### **5 Co-operation and timing**

#### **5.1 General obligations**

- (a) The Target and the Acquirer must each:
  - (i) use their best endeavours and commit necessary resources (including management and the resources of external advisers); and
  - (ii) procure that its officers and advisers work in good faith and in a timely and co-operative fashion with the other parties (including by attending meetings and by providing information),to produce the Scheme Booklet and implement the Scheme as soon as reasonably practicable and substantially in accordance with the Timetable.
- (b) The Target, the Acquirer and Resimac agree to negotiate in good faith and agree reasonable variations to the Timetable if necessary or appropriate having regard to availability of the Court or senior counsel, requirements or requests of ASX or ASIC, or reasonable requests of the parties, but subject always to the principle that the Scheme is to be implemented as expeditiously as possible. However, to avoid doubt, nothing in this clause requires any party to agree to any variation of the End Date.

#### **5.2 Transaction Implementation Working Group**

- (a) The parties must establish a Transaction Implementation Working Group as soon as reasonably practicable after the date of this deed. The role

of the Transaction Implementation Working Group will be to act as a forum for consultation and planning by parties to:

- (i) implement the Merger; and
  - (ii) subject to subclause 5.2(b), ensure the smooth transition of the management of the business and affairs of the Target Group and SPVs to the Acquirer, and a smooth implementation of the transactions contemplated by the Mortgage Asset Acquisition Agreement, following the implementation of the Scheme.
- (b) Subject to this deed, nothing in this clause requires a party to act at the direction of another party. The business of each party will continue to operate independently from the other and representatives of each party will report to the full board of their respective appointors until the Implementation Date. The parties agree that nothing in this deed constitutes the relationship of a partnership or a joint venture between the parties.

### 5.3 Access

- (a) Between the date of this deed and the earlier of the Implementation Date and the date this deed is terminated, the Target must:
- (i) as soon as reasonably practicable provide the Acquirer, Resimac and their Representatives with any documents, records and other information (subject to any existing confidentiality obligations owed to third parties, or applicable laws) reasonably requested by them; and
  - (ii) provide the Acquirer, Resimac and their officers, employees and advisers with reasonable access to the Target's officers, employees and advisers which the Acquirer and Resimac reasonably require, including for the purposes of:
    - (A) understanding the Target's business, financial position (including its cashflow and working capital position, and matter relating to the Mortgage Assets), trading performance and management control systems;
    - (B) implementing the Scheme;
    - (C) preparing for carrying on the business of the Target following implementation of the Merger, and implementing the transactions contemplated by the Mortgage Asset Acquisition Agreement; and
    - (D) any other purpose which is agreed in writing between the parties,

provided in every case that such access does not place an unreasonable burden on the ability of the Target to run its business or to perform its obligations under this deed.

- (b) Clause 5.3(a) ceases to operate upon a majority of the Target Board changing or withdrawing their recommendation that Target Shareholders vote in favour of the Scheme, or recommending a Competing Transaction, in each case in accordance with this deed.

#### **5.4 Acquirer's and Resimac's right to separate representation**

The Acquirer and Resimac are entitled to separate representation at all Court proceedings relating to the Scheme. Nothing in this deed is to be taken to give Target any right or power to make or give undertakings to the Court for or on behalf of the Acquirer or any nominated Acquirer Nominee or Resimac.

#### **5.5 Acquirer's undertaking**

The Acquirer undertakes for the benefit of the Target and employees of any member of the Target Group that following the Implementation Date, the financial assistance the subject of the Financial Assistance Resolution and the Mortgage Asset Acquisition Agreement will be implemented in a manner that:

- (a) complies with all applicable laws and does not render any member of the Target Group insolvent; and
- (b) ensures that all employee entitlements or redundancy entitlements are paid.

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### **6 Implementation obligations of the parties**

#### **6.1 Target's obligations**

The Target must comply with the obligations of the Target set out in Schedule 4 and take all reasonable steps that are necessary or reasonably requested by the Acquirer or Resimac to implement the Scheme as soon as is reasonably practicable and in the most efficient manner for the Scheme Participants and in any event prior to the End Date.

#### **6.2 Acquirer's obligations**

The Acquirer must comply with the obligations set out in Schedule 5 and take all reasonable steps that are necessary or reasonably requested by the Target to assist the Target to implement transactions contemplated by this deed as soon as is reasonably practicable and in the most efficient manner for the Scheme Participants and in any event prior to the End Date.

#### **6.3 Resimac's obligations**

Resimac must comply with the obligations set out in Schedule 6 and take all reasonable steps that are necessary or reasonably requested by the Target to assist the Target to implement the transactions contemplated by this deed as soon as is reasonably practicable and in the most efficient manner for the Scheme Participants and in any event prior to the End Date.

#### **6.4 Recommendation**

Each Target Director, in the joint public announcement to be issued in accordance with clause 16.1, the Scheme Booklet and any other material public statement made after the signing of this deed and relating to the Scheme or the Merger must make a statement that, in the absence of a Superior Proposal and subject to the Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of the Target Shareholders:

- (a) each member of the Target Board recommends that the Target Shareholders vote in favour of the Resolutions; and
- (b) confirms that each member of the Target Board intends to vote the Target Shares in which they have a Relevant Interest in favour of the Resolutions.

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## 6.5 Withdrawal or modification of recommendation

Subject to clause 6.6, the Target must use best endeavours to ensure that:

- (a) each member of the Target Board intends to vote any Target Shares in which they have a Relevant Interest in favour of the Resolutions in the absence of a Superior Proposal and subject to the Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of the Target Shareholders; and
- (b) no member of the Target Board:
  - (i) withdraws or adversely modifies their recommendation of the Scheme as contemplated by clauses 6.4(a) and 6.4(b); or
  - (ii) makes any statement to the effect that they no longer recommend that the Target Shareholders vote in favour of the Resolutions in the absence of a Superior Proposal and subject to the Independent Expert concluding and continuing to conclude that the Scheme is in the best interests of Target Shareholders.

## 6.6 Duties to Target Shareholders

A member of the Target Board may withdraw or adversely modify their recommendation or any other material public statement of the Scheme, and not vote any Target Shares in which they have a Relevant Interest in favour of the Resolutions, if the Target has complied at all times with its obligations under clause 10 and:

- (a) the Target Board determines in good faith and acting reasonably, having received expert advice in writing from its legal and financial advisors, that a Competing Transaction constitutes a Superior Proposal and the Target has notified the Acquirer and Resimac in writing that one or more members of the Target Board intends to withdraw or adversely modify their recommendation of the Scheme and three Business Days has passed since that notification is given;
- (b) the Target Board has determined in good faith and acting reasonably, having received expert advice in writing from its legal and financial advisors, that they must do so because of their fiduciary or statutory duties to Target Shareholders; or
- (c) the Independent Expert concludes that the Scheme is not in the best interests of Target Shareholders, or adversely changes its previously given opinion that the Scheme is in the best interests of the Target Shareholders.

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## 7 Scheme Booklet

### 7.1 Preparation

Without limiting clauses 6.1, 6.2 or 6.3:

- (a) **(preparation)** the Target is generally responsible for the preparation of the Scheme Booklet but will:
  - (i) provide drafts of the Scheme Booklet to the Acquirer and Resimac in accordance with clause 7.2(a); and
  - (ii) obtain the prior written approval of the Acquirer and Resimac in accordance with clauses 7.2(e) and 7.2(f) before:

- (A) providing the Regulator's Draft to ASIC for approval pursuant to section 411(2) of the Corporations Act; and
  - (B) requesting that ASIC register the explanatory statement included in the Scheme Booklet in accordance with item 9 of Schedule 4; and
- (iii) rely on the Acquirer, with respect to the Acquirer Information in the Scheme Booklet, and rely on Resimac, with respect to the Resimac Information in the Scheme Booklet.
- (b) **(compliance - Target)** the Target must take all necessary steps to endeavour to ensure that the Target Information:
  - (i) complies with the requirements of:
    - (A) the Corporations Act;
    - (B) the Corporations Regulations;
    - (C) ASIC Regulatory Guide 60; and
    - (D) the Listing Rules; and
  - (ii) is not, having regard to applicable disclosure requirements, misleading or deceptive in any material respect (including because of any material omission);
- (c) **(compliance - Acquirer)** the Acquirer must take all necessary steps to endeavour to ensure that the Acquirer Information:
  - (i) complies with the requirements of:
    - (A) the Corporations Act;
    - (B) the Corporations Regulations;
    - (C) ASIC Regulatory Guide 60; and
    - (D) the Listing Rules; and
  - (ii) is not, having regard to applicable disclosure requirements, misleading or deceptive in any material respect (including because of any material omission); and
- (d) **(compliance - Resimac)** Resimac must take all necessary steps to endeavour to ensure that the Resimac Information:
  - (i) complies with the requirements of:
    - (A) the Corporations Act;
    - (B) the Corporations Regulations;
    - (C) ASIC Regulatory Guide 60; and
    - (D) the Listing Rules; and
  - (ii) is not, having regard to applicable disclosure requirements, misleading or deceptive in any material respect (including because of any material omission)..

## 7.2 Content of Scheme Booklet

Without limiting clause 6.1, the Target must:

- (a) **(consult Acquirer and Resimac):**
- (i) as soon as reasonably practicable after the date of this deed, provide to the Acquirer and Resimac an initial draft of the Scheme Booklet for the purpose of enabling the Acquirer and Resimac to review and comment on that draft document;
  - (ii) provide to the Acquirer and Resimac amended drafts of the Scheme Booklet as reasonably agreed for the purpose of enabling the Acquirer and Resimac to review and comment on those draft documents;
  - (iii) provided that the Target retains absolute discretion in relation to the Target Information, take comments made by the Acquirer and Resimac into account in good faith when producing a revised draft of the Scheme Booklet; and
  - (iv) provide to the Acquirer and Resimac a revised penultimate draft of the Scheme Booklet within a reasonable time before the Regulator's Draft is finalised and to enable the Acquirer and Resimac to review the Regulator's Draft at least three Business Days before its submission;
- (b) **(penultimate draft Scheme Booklet)** take such comments made by the Acquirer and Resimac in relation to the penultimate draft of the Scheme Booklet into account in good faith (provided that the Target retains absolute discretion in relation to the Target Information) prior to finalising the Regulator's Draft;
- (c) **(approval of Regulators Draft)** as soon as reasonably practicable after finalisation of an advanced draft of the Regulator's Draft suitable for review by ASIC, procure that a meeting of the Target Directors is convened to consider approving the Regulator's Draft as being in a form appropriate for provision to ASIC for review (and the Acquirer and Resimac must also provide confirmation that they do not object to such submission, or if they do object, details of the basis of their objection);
- (d) **(Regulatory Review Period)** during the Regulatory Review Period:
- (i) promptly provide to the Acquirer and Resimac, and include in a revised draft of the Scheme Booklet, any new information not included in the Regulator's Draft which is required by the Corporations Act, Corporations Regulations, ASIC Regulatory Guide 60 or the Listing Rules to be included in the Scheme Booklet; and
  - (ii) keep the Acquirer and Resimac informed of any matters raised by ASIC in relation to the Scheme Booklet (and copies of all relevant correspondence) and use best endeavours, in co-operation with the Acquirer and Resimac, to resolve any such matters;
- (e) **(Acquirer Information)** obtain approval from the Acquirer, which approval must not be unreasonably withheld or delayed, for the form and context in which the Acquirer Information appears in the Scheme Booklet before:

- (i) providing the Regulator's Draft to ASIC for approval pursuant to section 411(2) of the Corporations Act; and
  - (ii) requesting that ASIC register the explanatory statement included in the Scheme Booklet in accordance with item 9 of Schedule 4; and
- (f) **(Resimac Information)** obtain approval from Resimac, which approval must not be unreasonably withheld or delayed, for the form and context in which the Resimac Information appears in the Scheme Booklet before:
- (i) providing the Regulator's Draft to ASIC for approval pursuant to section 411(2) of the Corporations Act; and
  - (ii) requesting that ASIC register the explanatory statement included in the Scheme Booklet in accordance with item 9 of Schedule 4.

### 7.3 Acquirer information

Without limiting clause 6.2, the Acquirer:

- (a) consents to the inclusion of the Acquirer Information in the Scheme Booklet; and
- (b) acknowledges that:
  - (i) it is responsible for ensuring that the Acquirer Information is not misleading or deceptive in any material respect (whether by omission or otherwise) and that the Target will not verify or edit the final form of that information in the Scheme Booklet; and
  - (ii) the Scheme Booklet will state that the Acquirer is responsible for the Acquirer Information, in accordance with clause 7.5.

### 7.4 Resimac Information

Without limiting clause 6.3, Resimac:

- (a) consents to the inclusion of the Resimac Information in the Scheme Booklet; and
- (b) acknowledges that:
  - (i) it is responsible for ensuring that the Resimac Information is not misleading or deceptive in any material respect (whether by omission or otherwise) and that the Target will not verify or edit the final form of that information in the Scheme Booklet; and
  - (ii) the Scheme Booklet will state that Resimac is responsible for the Resimac Information, in accordance with clause 7.5.

### 7.5 Scheme Booklet responsibility statements

The responsibility statement to appear in the Scheme Booklet, in a form to be agreed by the parties, will contain words to the effect of:

- (a) the Target has prepared, and is responsible for, the Target Information in the Scheme Booklet, and that the Acquirer, Resimac and their directors and officers do not assume any responsibility for the accuracy or completeness of that Target Information except to the extent that the Acquirer or Resimac has provided the Target with information for the purpose of the Target preparing such information;

- (b) the Acquirer has prepared, and is responsible for, the Acquirer Information specific to the Acquirer in the Scheme Booklet, and that the Target, Resimac and their directors and officers do not assume any responsibility for the accuracy or completeness of that Acquirer Information except to the extent that the Target or Resimac has provided the Acquirer with information for the purpose of Acquirer preparing such information;
- (c) Resimac has prepared, and is responsible for, the Resimac Information specific to the Acquirer in the Scheme Booklet, and that the Target, the Acquirer and their directors and officers do not assume any responsibility for the accuracy or completeness of that Resimac Information except to the extent that the Target or the Acquirer has provided Resimac with information for the purpose of Resimac preparing such information; and
- (d) the Independent Expert has prepared and is responsible for the Independent Expert's Report and:
  - (i) the Target and its directors and officers do not assume any responsibility for the accuracy or completeness of the Independent Expert's Report;
  - (ii) the Acquirer and its directors and officers do not assume any responsibility for the accuracy or completeness of the Independent Expert's Report; and
  - (iii) Resimac and its directors and officers do not assume any responsibility for the accuracy or completeness of the Independent Expert's Report.

## **7.6 Disagreement on content**

If the Acquirer, Resimac and the Target disagree on the form or content of the Scheme Booklet, they must consult in good faith to try to settle an agreed form of the Scheme Booklet. If complete agreement is not reached after reasonable consultation, then:

- (a) if the disagreement relates to the form or content of the Acquirer Information contained in the Scheme Booklet, the Target will make such amendments as the Acquirer reasonably requires;
- (b) if the disagreement relates to the form or content of the Resimac Information contained in the Scheme Booklet, the Target will make such amendments as Resimac reasonably requires; and
- (c) if the disagreement relates to the form or content of any other part of the Scheme Booklet, the Target Board will, acting in good faith, decide the final form or content of the disputed part of the Scheme Booklet.

## **7.7 Verification**

Each party must undertake appropriate verification processes for the information prepared by that party for the Scheme Booklet.

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# **8 Conduct of business**

## **8.1 Overview**

From the date of this deed up to and including the Implementation Date, the Target must conduct its business (including, for this purpose, the business of the SPVs) in the ordinary and proper course consistent with applicable laws, the business plans made public or disclosed to the Acquirer and Resimac prior to



execution of this deed, and in substantially the same manner as conducted over the previous 3 years, and must regularly consult with the Acquirer and Resimac on the manner of conduct of the business.

## 8.2 Specific obligations

Without limiting clause 8.1 and other than with the prior written approval of the Acquirer and Resimac or as required by this deed, the Target must and must procure that its Subsidiaries and the SPVs, during the period contemplated by clause 8.1, use reasonable endeavours to:

- (a) **(business and assets)** maintain the condition of its business and assets, including without limitation so as to ensure there is no adverse impact on its rights (including rights of recourse) under any LMI Contract;
- (b) **(officers, employees and contractors)** keep available the services of its officers, employees and contractors;
- (c) **(relationships)** preserve its relationships with customers, suppliers, licensors, licensees, joint venturers and others with whom it has business dealings;
- (d) **(change of control provisions)** identify any change of control or similar provisions in any Material Contracts and obtain the consents of relevant persons who have rights in respect of those persons to the transactions contemplated by the Merger, provided that:
  - (i) it must consult with the Acquirer and Resimac in relation to any such provisions and consents and must, if the Acquirer or Resimac so requests, involve them in the discussions and negotiations with the relevant third parties; and
  - (ii) this does not extend to:
    - (A) obtaining any consent in relation to paragraph (a) of the definition of "Amortisation Event" (as defined in the Westpac Subscription Agreement) (in relation to which Resimac will be responsible for obtaining the consent required from Westpac within the 30 days after the relevant change in control as contemplated by paragraph (a) of the definition of Amortisation Event); and
    - (B) obtaining a confirmation from National Australia Bank Limited that it will not exercise its rights to acquire assets from RMS under the Second Shortfall Financing Option Deed as a result of the change of control of any member of the RHG Group (which Resimac will be required to obtain in connection with its negotiation of its financing facilities)";
- (e) **(cash)** ensure there is no material decrease in the amount of cash in the Target Group and SPVs other than:
  - (i) as used in the ordinary course of business; or

provided that the Target must, and must procure that its Subsidiaries and the SPVs, co-operate with Resimac (and entities nominated by Resimac) and provide reasonable assistance in connection with obtaining those consents and confirmations referred to in (A) and (B) above;

- (ii) as a result of reasonable costs incurred directly in relation to the transactions contemplated by the Merger (provided that the Target uses reasonable endeavours to keep the Transaction Costs below \$2,500,000); or
  - (iii) where agreed between the parties and consistent with the Financial Assistance Resolution; or
  - (iv) as payment of the July Dividend, or
  - (v) as a result of complying with any obligation of a member of the Target Group or SPV under any Material NIM Contract;
- (f) **(claims)** promptly notify the Acquirer and Resimac of any Action (including, without limitation, before a court or Regulatory Authority) which may be threatened, brought, asserted or commenced against any member of the Target Group or their Officers or an SPV, and consult with the Acquirer and Resimac in relation to such matter to the extent they reasonably require, other than an Action relating only to an asset in the Loan Book;
- (g) **(insurance)** have in place, and maintain until the Implementation Date, insurance over its assets and business (including, for this purpose, the business of the SPVs) to at least the same extent as that in place at the date of this deed;
- (h) **(cash available in SPV structures)** co-operate with the Acquirer and Resimac to assist in ensuring that the cash available to the Target Group (including from release of collateral and repayment of subordinated notes) on the refinancing of the Target Group's warehouse financing arrangements is released to the Target and available to it on the Implementation Date subject to any legally binding requirements to other funders requiring monies to be retained by the SPV; and
- (i) **(proposed Unisys Contract extension)** procure the extension of the Unisys Contract for a period of 12 months from 1 January 2014 on substantially similar terms (and in respect of timing, pricing and economic matters, not materially less favourable terms) as in the document titled "Proposed UCS Servicing Contract Terms" provided by the Target to Resimac's Representatives on 21 June 2013 and the Target will consult with Resimac on, and agree on, any such less favourable terms.

### 8.3 Prohibited actions

Other than with the prior written approval of the Acquirer and Resimac or as required by this deed the Target must not, and must procure that its Subsidiaries do not and, to the extent within their power, procure that the SPVs do not, during the period referred to in clause 8.1:

- (a) **(Target Prescribed Event)** take any action which would be reasonably expected to give rise to a Target Prescribed Event;
- (b) **(Target Prescribed Event agreement)** agree to do anything which would be reasonably expected to give rise to a Target Prescribed Event;
- (c) **(Material Contracts)** enter into or terminate, or roll over, a Material Contract other than:
  - (i) any extension of the Unisys Contract for a period of 12 months from 1 January 2014 on substantially similar terms (and in

respect of timing, pricing and economic matters, on not materially less favourable terms) as in the document titled "Proposed UCS Servicing Contract Terms" provided by the Target to Resimac's Representatives on 21 June 2013 noting that the Target will consult with Resimac on, and agree on, any such less favourable terms; or

- (ii) any other Material Contract which both:
  - (A) has been disclosed to the Acquirer and Resimac; and
  - (B) the Acquirer and Resimac has agreed in writing to the entry into, termination or roll-over of such specific disclosed Material Contract;
- (iii) a contract or commitment entered into for the extension, or roll over, of any contract or commitment between any Securitisation Vehicle and any of its financiers, including any warehouse facilities or term funding and associated hedging arrangements in the ordinary course of the business of any Securitisation Vehicle; or
- (iv) pursuant to this deed;
- (d) **(Loan Book Contracts)** ensure that no Securitisation Vehicle enters into, terminates, varies or waives or releases any of its rights or obligations under any Loan Book Contract other than, in relation to a Mortgage Loan or Related Security:
  - (i) in accordance with the usual business practices of the Target Group and each Securitisation Vehicle or as required by any law or direction provided by any Court, regulatory body or ombudsman; or
  - (ii) in accordance with any instruction or direction from any party which any member of the Target Group or any Securitisation Vehicle is contractually obliged to comply with;
- (e) **(employment agreements)** except as approved in writing by the Acquirer and Resimac,
  - (i) increase the remuneration of (including with regard to superannuation benefits) or benefits other than bonuses provided to employees, by 5% or more than the amount paid to employees of the Target in the financial year ending 30 June 2012; or
  - (ii) pay an aggregate employee bonus amount which is 25% more than the aggregate bonus amount paid by the Target in the financial year ending 30 June 2012
  - (iii) amend any employment or consultancy arrangement.
- (f) **(new employment agreements)** employ any person on terms and conditions not approved in writing by the Acquirer and Resimac;
- (g) **(termination of employees)** terminate the employment of any employee other than for cause;
- (h) **(accelerate rights)** accelerate the rights of any of its directors or employees to benefits of any kind (except under terms of existing

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contracts where the proposed acceleration was disclosed to the Acquirer and Resimac before the date of this deed);

- (i) **(transaction based payments)** other than as agreed with the Acquirer and Resimac, or pursuant to terms of existing contracts where the proposed payment was disclosed to the Acquirer and Resimac before the date of this deed, enter into any contract or commitment (including any employment contract), or renew or amend any existing contract or commitment, to provide for a payment to be made to the counterparty directly or indirectly as a result of:
  - (i) the Target, the Acquirer or Resimac entering into this deed;
  - (ii) the Acquirer, Acquirer Nominee or both acquiring a Relevant Interest in the Target Shares; or
  - (iii) the Scheme or a transaction evidenced by this deed or the Scheme;
- (j) **(financial advisers)** amend in any material respect any arrangement with its financial advisers in respect of the transactions contemplated by this deed (including, without limitation any amendment which increases the amount payable to a financial adviser);
- (k) **(dividends)** announce, declare or pay any dividends (other than the July Dividend or as otherwise agreed); or
- (l) **(agreement)** agree to do any of the matters set out above.

#### 8.4 Conduct of business in respect of Loan Book

Without limiting clause 8.1 and other than with the prior written approval of the Acquirer and Resimac or as required by this deed, the Target must and must procure that its Subsidiaries and the SPVs, during the period contemplated by clause 8.1:

- (a) service, or procure the servicing of, the Loan Book in a manner consistent with the servicing procedures of the Target in relation to the Material NIM Contracts, which have been disclosed in the Due Diligence Materials;
- (b) notify the Acquirer and Resimac if it becomes aware of the creation or existence of any Encumbrance in relation to any part of the Loan Book that competes with the Acquirer or Resimac's interest, or the interest of the Target or an SPV, in the Loan Book, other than any Encumbrance in connection with a Material NIM Contract, which has been disclosed in the Due Diligence Materials;
- (c) duly and punctually perform each of its material obligations in respect of the Loan Book;
- (d) not do anything that would give an obligor, in respect of a Mortgage Loan, a right to withhold, set-off or make a counterclaim under or in connection with a Mortgage Loan or Relevant Document, except as ordered by a regulatory body, required by law, conducted in accordance with servicing procedures of the Target in relation to the Material NIM Contracts, which have been disclosed in the Due Diligence Materials, or as contemplated under or as otherwise disclosed in the Due Diligence Materials;

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- (e) not amend, grant any waiver of, or vary or discharge, a Mortgage Loan, Relevant Document or Related Security except in connection with the full repayment of a Mortgage Loan by the relevant obligor, refinance of a Mortgage Loan by a third party financier, as ordered by a regulatory body, as required by law or as conducted in accordance with servicing procedures of the Target in relation to the Material NIM Contracts, which have been disclosed in the Due Diligence Materials;
  - (f) except as required by law or as contemplated by this document, not (and must not direct any other party to) do or omit to do anything which would have the effect of rendering the rights of the Acquirer or Resimac in a Mortgage Loan liable to forfeiture, cancellation, avoidance or which would otherwise prejudicially affect the rights of the Acquirer or Resimac in and to the Mortgage Loans in a material respect taken as a whole, except in connection with the full repayment of a Mortgage Loan by the relevant obligor or refinance of a Mortgage Loan by a third party financier; and
  - (g) hold regular discussions with the Acquirer and Resimac in relation to the management of the Loan Book.

#### **8.5 Permitted acts**

- (a) Nothing in clause 8 restricts any member of the Target Group from doing anything:
  - (i) that is contemplated in this deed;
  - (ii) that is fairly disclosed in the Due Diligence Materials or in any prior disclosure to ASX; or
  - (iii) approved by the Acquirer and Resimac in writing, such approval not to be unreasonably withheld or delayed;
- (b) Nothing in clause 8 operates so as to restrict or prevent:
  - (i) an obligor from anything which it is entitled or permitted to do or omit to do (as the case may be) under applicable law or under the terms of the relevant Mortgage Loan; or
  - (ii) any agreement to which the Target or an SPV is a party that is executed prior to the date of this deed pursuant to which the repayment of any Mortgage Loan is rescheduled or any Relevant Document is otherwise amended and which has been fully disclosed to the Acquirer and Resimac before the date of this deed.

#### **8.6 Appointment and retirement of Target Directors**

- (a) As soon as practicable after the Second Court Date, and subject to but no later than immediately after the Scheme Consideration being paid to Scheme Participants, the Target must:
  - (i) cause the appointment of each Incoming Director to the Target Board;
  - (ii) procure that each of the Outgoing Directors retire from the Target Board and provide (subject to payment of any outstanding termination payment and remuneration) written notice to the effect that they have no claim outstanding for loss of office, remuneration or otherwise against the Target; and

- (iii) reconstitute the boards of each other member of the Target Group in accordance with such directions (if any) given by the Acquirer to the Target.
- (b) As soon as practicable, and in any event no later than 8.00 am on the Second Court Date, the Target must use all reasonable endeavours to:
  - (i) obtain any required regulatory approvals to permit the steps referred to in paragraphs (i), (ii) and (iii) above;
  - (ii) procure the resolution of BNY to remove the directors of the SPVs and replace them with directors in accordance with the Acquirer's directions, subject to the Scheme becoming Effective; and
  - (iii) obtain any required regulatory or other approvals to permit the retirement and appointment of directors to the SPVs in accordance with the Acquirer's directions.
- (c) The Target will be obliged under the Scheme to use reasonable endeavours to procure such retirement and appointment of directors to the SPVs as set out in clause (8.5(b)), as a step prior to the payment of the Scheme Consideration (and the Scheme Consideration will only be payable on the Implementation Date once such retirement and appointment has been procured).

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## 9 Standstill

For a period of four months from the date of this deed, the Acquirer, Resimac and their Representatives must not without the prior written consent of the Target:

- (a) subscribe, acquire, or offer to subscribe or acquire, or assist or induce any other person to acquire, any securities in the Target, other than pursuant to the Scheme;
- (b) enter, or assist or induce any other person to enter, into any agreement or arrangement which confers rights, the economic effect of which is equivalent, or substantially equivalent to, the acquisition, holding or disposal of any securities in the Target, other than pursuant to the Scheme;
- (c) solicit proxies from holders of securities in the Target, or otherwise try and influence or control the management of the Target, other than in connection with the Scheme Meeting or pursuant to this deed;
- (d) assist (including by providing Target Confidential Information), encourage, counsel, induce, instruct or ask any other person to do anything in clauses (a), (b) or (c) above.

Nothing in this clause 9 prevents the Acquirer or Resimac from proposing a control transaction at a higher financial value and on terms more favourable to the Target Shareholders to a control transaction proposed by a third party and acquiring securities in the Target on the terms of such a proposal.

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## 10 Exclusivity

### 10.1 Termination of discussions

The Target undertakes that promptly following execution of this deed and release to ASX of the announcement in Annexure A the Target will notify any other

person with which it has been in negotiations or discussions in respect of any Competing Transaction immediately prior to entry into this deed that any such negotiations or discussions previously in existence are terminated.

## **10.2 No-shop**

Subject to clause 10.7, during the Exclusivity Period, the Target must ensure that neither it nor any of its Related Bodies Corporate nor any of its or their Representatives directly or indirectly:

- (a) solicits, invites, encourages or initiates any enquiries, negotiations or discussions; or
- (b) communicates any intention to do any of these things,

in respect of obtaining or in response to any offer, proposal or expression of interest from any person in relation to, or which may be reasonably expected to lead to, a Competing Transaction.

## **10.3 No-talk**

Subject to clauses 10.6 and 10.7, during the Exclusivity Period, the Target must ensure that neither it nor any of its Related Bodies Corporate nor any of its or their Representatives:

- (a) negotiates or enters into; or
- (b) participates in negotiations or discussions with any other person regarding,

a Competing Transaction or any offer, proposal or expression of interest from any person in relation to, or which may be reasonably expected to lead to, a Competing Transaction.

## **10.4 Due diligence information**

Subject to clauses 10.6 and 10.7, during the Exclusivity Period, the Target must ensure that neither it nor any of its Related Bodies Corporate nor any of its or their Representatives:

- (a) solicits, invites, initiates, encourages, permits or, facilitates any other person other than the Acquirer, Resimac and their Representatives to undertake due diligence investigations on any member of the Target Group or their businesses or operations (including, for this purpose, the business of the SPVs) (provided that the Target may permit any counterparty to a Material NIM Contract to undertake due diligence investigations which it requests and which it is contractually entitled undertake, provided it only does so on a confidential basis in accordance with the terms of the relevant Material NIM Contract and not in connection with a Competing Transaction or any offer, proposal or expression of interest from any person in relation to, or which may be reasonably expected to lead to, a Competing Transaction, and provided further that the Target has first given the Acquirer and Resimac details of the requested due diligence); or
- (b) makes available to any other person or permits any other person to receive other than the Acquirer, Resimac and their Representatives (in the course of due diligence investigations or otherwise) any non-public information relating to any member of the Target Group or their businesses or operations (including, for this purpose, the business of the SPVs).

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If, as a result of the operation of clauses 10.6 or 10.7, any such information is made available to any other person, the same information must immediately be made available to the Acquirer and Resimac.

### **10.5 Notice of unsolicited approach**

During the Exclusivity Period, the Target must promptly notify the Acquirer and Resimac if it or any of its Related Bodies Corporate or Representatives receives (directly or indirectly) any unsolicited approach, enquiry, proposal or attempt to initiate any negotiations or discussions with respect to any Competing Transaction and must disclose to the Acquirer and Resimac the fact that such an approach has been made and the nature of the approach, including the price or consideration proposed. A material variation to a previous approach or proposal is taken to be a new approach or proposal for the purposes of this clause.

### **10.6 Exceptions**

Clauses 10.3 and, where relevant, clause 10.4 and (to the extent it relates to disclosure of identity only) clause 10.5, do not apply to the extent that they restrict the Target or the Target Board from:

- (a) considering a Competing Transaction;
- (b) taking or refusing to take any action with respect to a Competing Transaction; or
- (c) responding to a new or revised proposal from a bidder who had engaged with the Target prior to the date of this deed, or any person approached by the Target prior to the date of this deed;

provided in each case that the Competing Transaction or proposal was not solicited, invited, encouraged or initiated by the Target in contravention of clause 10.2 and that the Target Board has determined, in good faith and acting reasonably that:

- (d) after consultation with its financial advisors, such a Competing Transaction could reasonably be considered to be, or to be capable of becoming, a Superior Proposal; and
- (e) after receiving written advice from external legal advisers, that failing to respond to such a Competing Transaction would:
  - (i) be reasonably likely to constitute a breach of the Target Board's fiduciary or statutory obligations; or
  - (ii) otherwise be unlawful to not undertake such action,

and subject always to clause 10.7.

### **10.7 Further exceptions**

Nothing in this deed prevents the Target from:

- (a) continuing to make normal presentations to, and to respond to enquiries from, brokers, portfolio investors and analysts in the ordinary course in relation to the Merger or its business generally; or
- (b) fulfilling its continuous disclosure requirements.



## 10.8 Response to Competing Transaction

- (a) The Target Board must not enter into any legally binding agreement, arrangement or understanding with respect to a Competing Transaction or publicly change or withdraw its recommendation of the Scheme or the Resolutions unless the Target has first provided the Acquirer and Resimac with:
- (i) the identity of the person proposing the Competing Transaction;
  - (ii) the material terms of the Competing Transaction; and
  - (iii) any material information provided to the person making the Competing Transaction that has not either been publicly disclosed or previously provided to the Acquirer and Resimac,
- and has given the Acquirer and Resimac three Business Days to amend the terms of the Merger (a **Counterproposal**) so that the Counterproposal would provide an outcome that is superior for Target Shareholders as a whole compared with the Competing Transaction.
- (b) The Target Board, acting reasonably and in good faith, must consider any Counterproposal, and if the Counterproposal would provide an outcome that is superior for Target Shareholders as a whole compared with the Competing Transaction, taking into account all the terms and conditions of the Counterproposal, then the Target, the Acquirer and Resimac must use their best endeavours to agree the amendments to this deed which are reasonably necessary to reflect the Counterproposal and to implement the Counterproposal, in each case as soon as reasonably practicable.
- (c) This clause 10.8 does not apply to the extent that it requires the Target or the Target Board to take, or omit to take, any action in respect of a Competing Transaction (which was not solicited, facilitated, encouraged, invited or initiated by the Target or any of its Representatives in breach of clause 10.2) where the Target Board has determined, in good faith and acting reasonably after receiving written advice from external lawyers, that taking, or omitting to take, such action would constitute a breach of the directors' fiduciary or statutory obligations, or would otherwise be unlawful.

## 10.9 Enforcement of 'standstill' obligations

The Target agrees not to terminate or waive, and to enforce, any 'standstill' obligation owed to it by any third party, except that it may waive such an obligation only to the extent necessary to permit a Competing Proposal:

- (a) that the Target Board has determined in accordance with clause 6.6(a) is a Superior Proposal;
- (b) that was not solicited, invited, encouraged or initiated by the Target in contravention of clause 10.2; and
- (c) in respect of which the Target has otherwise complied with clause 10, including clause 10.8.

The Target confirms that it has not agreed to terminate or waive such an obligation in the month prior to the date of this deed.

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## 11 Reimbursement of Acquirer and Resimac costs

### 11.1 Background

This clause 11 has been agreed in circumstances where:

- (a) the Acquirer, Resimac and the Target believe that the Merger will provide significant benefits to the Acquirer, Resimac, the Target and their respective shareholders, and the Acquirer, Resimac and the Target acknowledge that, if they enter into this deed and the Scheme is subsequently not implemented, the Acquirer and Resimac will incur significant costs;
- (b) the Acquirer and Resimac requested that provision be made for the payments outlined in clause 11.2, without which the Acquirer and Resimac would not have entered into this deed;
- (c) the Target Board, the Acquirer Board and the Resimac Board each believe that it is appropriate for all parties to agree to the payment referred to in this clause 11 to secure the Acquirer and Resimac's participation in the Merger; and
- (d) the parties have received legal advice on this deed and the operation of this clause 11.

### 11.2 Payment by Target to Acquirer and Resimac

The Target agrees to pay \$1,200,000, in aggregate, to the Acquirer and Resimac (in such proportions as they determine) if any of the following circumstances occur:

- (a) **(withdrawal or modification of recommendation)** any Target Director:
  - (i) fails to recommend the Scheme or the Resolutions as contemplated by clauses 6.4(a) and 6.4(b); or
  - (ii) withdraws or adversely modifies that recommendation;except:
  - (iii) if a Target Director changes their recommendation following the receipt of the Independent Expert's Report (or any update of that report) where that report (or any update of that report) states that in the opinion of the Independent Expert the Scheme is not in the best interests of Target Shareholders (other than because of a Superior Proposal to which clause 11.2(b) applies); or
  - (iv) as a result of any matter or thing giving the Target the right to terminate under clause 15.1;
- (b) **(Competing Proposal)** either:
  - (i) the Target enters into a legally binding agreement to undertake a Competing Proposal; or
  - (ii) any Target Director withdraws or adversely modifies their recommendation of the Scheme or the Resolutions as contemplated by clauses 6.4(a) and 6.4(b) as a result of a Competing Proposal being made; or
  - (iii) the Target Board determines or announces that a Competing Proposal is a Superior Proposal; or

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- (iv) a Competing Proposal is made or announced and at any time before 6 months after the End Date the proponent of the Competing Proposal (together with its associates, as that term is defined with reference to Chapter 6 of the Corporations Act) has a Relevant Interest in more than 50% of the Target Shares, or acquires or obtains an economic interest in all or a substantial part of the assets of the Target Group or of the SPVs.
- (c) **(Target Prescribed Event or Target Material Adverse Change)** all of the following are satisfied:
  - (i) a Target Prescribed Event or a Target Material Adverse Change occurs prior to 8.00am on the Second Court Date; and
  - (ii) this deed is terminated in accordance with clause 15; and
  - (iii) all of the following apply in relation to the Target Prescribed Event or the Target Material Adverse Change:
    - (A) in the case of a Target Material Adverse Change, the prevention of the Target Material Adverse Change was within the control of the Target; and
    - (B) the Target has failed to rectify the Target Prescribed Event or Target Material Adverse Change within 10 Business Days (or any shorter period ending at 8.00am on the Second Court Date) after receipt of notice from the Acquirer or Resimac requiring the Target to do so;
- (d) **(material breach)** the Merger does not proceed because the Target is in material breach of any clause of this deed (including a representation or warranty), provided that the Acquirer or Resimac has, if practicable, given notice to the Target setting out the relevant circumstances and the relevant circumstances continue to exist five Business Days (or any shorter period ending at 8.00am on the Second Court Date) after the time such notice is given.

### 11.3 No amount payable if Scheme becomes Effective

Notwithstanding the occurrence of any event under clause 11.2 no amount is payable under clause 11.2 if the Scheme becomes Effective.

### 11.4 Timing of payment

The Target must pay the Acquirer and Resimac the amount referred to in clause 11.2 within 10 Business Days of receipt by the Target of a valid written demand for payment from the Acquirer or Resimac. The demand may only be made:

- (a) after the occurrence of an event referred to in clauses 11.2(a), 11.2(b) or 11.2(d); or
- (b) if all of the circumstances referred to in clause 11.2(c) occur;

and in each case, the basis for the demand is set out in the notice.

### 11.5 Nature of payment

The amount payable by the Target to the Acquirer and Resimac under clause 11.2 is an amount to compensate the Acquirer and Resimac for:

- (a) advisory costs (including costs of advisers other than success fees);

- (b) costs of management and directors' time;
- (c) out-of-pocket expenses; and
- (d) reasonable opportunity costs incurred by the Acquirer and Resimac in pursuing the transactions contemplated by this deed or in not pursuing other alternative acquisitions or strategic initiatives which the Acquirer and Resimac could have developed to further its business and objectives,

but is without prejudice to and does not limit any rights which the Acquirer, Resimac, any Acquirer Indemnified Party, Resimac Indemnified Party or any shareholder of the Acquirer or Resimac may have against the Target, other than reduction of damages in light of the payment towards costs, opportunity costs and expenses.

### **11.6 Survival**

Any accrued obligations under this clause 11 survive termination of this deed.

### **11.7 Notice to be given by Acquirer and Resimac**

A notice under this clause 11 must be given by the Acquirer and Resimac to be valid.

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## **12 Reimbursement of Target costs**

### **12.1 Background**

This clause 12 has been agreed in circumstances where:

- (a) the Acquirer, Resimac and the Target believe that the Merger will provide significant benefits to the Acquirer, Resimac, the Target and their respective shareholders, and the Acquirer, Resimac and the Target acknowledge that, if they enter into this deed and the Scheme is subsequently not implemented, the Target will incur significant costs;
- (b) the Target requested that provision be made for the payments outlined in clause 12.2, without which the Target would not have entered into this deed;
- (c) the Acquirer Board, the Resimac Board and the Target Board believe that it is appropriate for both parties to agree to the payment referred to in this clause 12 to secure Target's participation in the Merger; and
- (d) the parties have received legal advice on this deed and the operation of this clause 12.

### **12.2 Payment by Acquirer to Target**

The Acquirer and Resimac (in such proportions as they determine, but so that if either of them fails to pay its proportion or any part of it, the Target may recover the shortfall from the other) agrees to pay to the Target \$1,200,000 if the Merger does not proceed because the Acquirer or Resimac is in material breach of any clause of this deed (including a representation or warranty), provided that the Target has, if practicable, given notice to the Acquirer and Resimac setting out the relevant circumstances and the relevant circumstances continue to exist five Business Days (or any shorter period ending at 8.00am on the Second Court Date) after the time such notice is given.

### **12.3 No amount payable if Scheme becomes Effective**

Notwithstanding the occurrence of any event under clause 12.2 no amount is payable under clause 12.2 if the Scheme becomes Effective.

### **12.4 Timing of payment**

The Acquirer and Resimac must pay Target the amount referred to in clause 12.2 within 10 Business Days of receipt by the Acquirer and Resimac of a valid written demand for payment from the Target, provided that the Target has provided the Acquirer and Resimac with all information and documentation reasonably requested by the Acquirer and Resimac for the purpose of verifying the amount referred to in clause 12.2. The demand may only be made after the occurrence of the event referred to in clause 12.2.

### **12.5 Nature of payment**

The amount payable by the Acquirer and Resimac to the Target under clause 12.2 is an amount to compensate the Target for

- (a) advisory costs (including costs of advisers other than success fees);
- (b) costs of management and directors' time;
- (c) out-of-pocket expenses; and
- (d) reasonable opportunity costs incurred by the Target in pursuing the transactions contemplated by this deed or in not pursuing other alternative acquisitions or strategic initiatives which the Target could have developed to further its business and objectives,

but is without prejudice to and does not limit any rights which the Target, any Target Indemnified Party or any shareholder of the Target may have against the Acquirer or Resimac, other than reduction of damages in light of the payment towards costs, opportunity costs and expenses.

### **12.6 Survival**

Any accrued obligations under this clause 12 survive termination of this deed.

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## **13 Representations and warranties**

### **13.1 Target's representations and warranties**

- (a) The Target represents and warrants to the Acquirer and Resimac (on its own behalf and separately as trustee or nominee for each of the Acquirer directors and Resimac directors) that each of the statements set out in Schedule 7 is true and correct in all material respects as at the date of this deed and as at 8.00am on the Second Court Date.
- (b) The Acquirer and Resimac acknowledge and agree that the Target has disclosed or is deemed to have disclosed against the statements set out in Schedule 1 and Schedule 7, and the Acquirer and Resimac are aware of, and will be treated as having actual knowledge of, all facts, matters and circumstances that:
  - (i) are provided for or described in this deed;
  - (ii) are fairly disclosed in the Due Diligence Materials or ASX announcement; or
  - (iii) were, prior to 21 June 2013 (in the case of the Acquirer or Resimac) or the date of this deed (in the case of the Target),

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within the actual knowledge of the party seeking to rely on the relevant statement or its Related Bodies Corporate.

### **13.2 Target's indemnity**

The Target indemnifies the Acquirer Indemnified Parties and Resimac Indemnified Parties against all Losses incurred directly as a result of any of the representations and warranties in clause 13.1 not being true and correct in all material respects.

### **13.3 Target warranty certificate**

The Target must provide to the Acquirer and Resimac by 8.00am on the Second Court Date a certificate signed by a Target Director and made in accordance with a resolution of the Target Board stating, as at that date, that the representations or warranties given by the Target in clause 13.1 remain true and correct or, if any such representation or warranty is not true and correct as at that date, providing complete particulars of the facts and matters which make the representation or warranty untrue or incorrect.

### **13.4 Acquirer's representations and warranties**

The Acquirer represents and warrants to the Target (on its own behalf and separately as trustee or nominee for each of the Target Directors) that each of the statements set out in Schedule 8 is true and correct in all material respects as at the date of this deed and as at 8.00am on the Second Court Date.

### **13.5 Acquirer's indemnity**

The Acquirer indemnifies the Target Indemnified Parties against all Losses incurred directly as a result of any of the representations and warranties in clause 13.4 by the Acquirer not being true and correct in all material respects.

### **13.6 Acquirer warranty certificate**

The Acquirer must provide to the Target by 8.00am on the Second Court Date a certificate signed by a director of the Acquirer and made in accordance with a resolution of the Acquirer Board stating, as at that date, that the representations and warranties given by the Acquirer in clause 13.4 remain true and correct or, if any such representation or warranty is not true and correct as at that date, providing complete particulars of the facts and matters which make the representation or warranty untrue or incorrect.

### **13.7 Resimac's representations and warranties**

Resimac represents and warrants to the Target (on its own behalf and separately as trustee or nominee for each of the Target Directors) that each of the statements set out in Schedule 9 is true and correct in all material respects as at the date of this deed and as at 8.00am on the Second Court Date.

### **13.8 Resimac's indemnity**

Resimac indemnifies the Target Indemnified Parties against all Losses incurred directly as a result of any of the representations and warranties in clause 13.7 by the Acquirer not being true and correct in all material respects.

### **13.9 Resimac warranty certificate**

Resimac must provide to the Target by 8.00am on the Second Court Date a certificate signed by a director of Resimac and made in accordance with a resolution of the Resimac Board stating, as at that date, that the representations and warranties given by Resimac in clause 13.7 remain true and correct or, if any such representation or warranty is not true and correct as at that date, providing

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complete particulars of the facts and matters which make the representation or warranty untrue or incorrect.

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## 14 Court proceedings

### 14.1 Appeal process

If the Court refuses to make orders convening the Scheme Meeting or approving the Scheme, the Acquirer, Resimac and the Target must appeal the Court's decision to the fullest extent possible except to the extent that:

- (a) the parties agree otherwise; or
- (b) external legal advisers representing that party in relation to the Scheme indicates that, in their opinion, an appeal would likely have less than a 50% prospect of success,

in which case any of the parties may terminate this deed in accordance with clause 15.1(e)(iii).

### 14.2 Defence of proceedings

The Acquirer, Resimac and the Target must vigorously defend, or must cause to be vigorously defended, any lawsuits or other legal proceeding brought against it (or any of its Subsidiaries or an SPV) challenging this deed or the completion of the Merger. The Acquirer, Resimac and the Target will not settle or compromise (or permit any of its Subsidiaries or an SPV to settle or compromise) any claim brought in connection with this deed without the prior written consent of the other parties, such consent not to be unreasonably withheld.

### 14.3 Costs

Any costs incurred as a result of the operation of this clause 14 will be borne in equal shares by each party.

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## 15 Termination

### 15.1 Termination events

Without limiting any other provision of this deed (including clauses 3.9 and 14.1), this deed may be terminated:

- (a) **(End Date)** by any party, if the Scheme has not become Effective by the End Date;
- (b) **(lack of support)** at any time prior to 8.00am on the Second Court Date by the Acquirer or Resimac if any Target Director who was a Target Director as at the date of this deed changes their recommendation or ceases to recommend to Scheme Participants that they vote in favour of the Resolutions as contemplated by clauses 6.4(a) or 6.4(b), including any adverse modification to their recommendation as contemplated by clauses 6.4(a) or 6.4(b);
- (c) **(competing interest)** by the Acquirer or Resimac, if a person (other than a member of the Acquirer Group or Resimac Group) acquires a Relevant Interest in more than 10% of the Target Shares following the date of this deed;
- (d) **(Competing Transaction)** by any party if the Target Board determines and publicly announces that a Competing Transaction (without breach of clause 10) is a Superior Proposal. However, Target cannot terminate this

deed until after the procedure in clause 10.8 has been followed in good faith;

- (e) **(consultation, appeal failure)** in accordance with and pursuant to:
- (i) clause 3.9(a);
  - (ii) clause 3.9(b); or
  - (iii) clause 14.1;
- (f) **(material breach by Target)** by the Acquirer or Resimac, if the Target breaches a material term of this deed and the Acquirer or Resimac has, if practicable, given notice to the Target setting out the relevant circumstances and the relevant circumstances continue to exist five Business Days (or any shorter period ending at 8.00am on the Second Court Date) after the time such notice is given;
- (g) **(material breach by the Acquirer)** by the Target, if the Acquirer breaches a material term of this deed and the Target has, if practicable, given notice to the Acquirer setting out the relevant circumstances and the relevant circumstances continue to exist five Business Days (or any shorter period ending at 8.00am on the Second Court Date) after the time such notice is given;
- (h) **(material breach by Resimac)** by the Target, if Resimac breaches a material term of this deed and the Target has, if practicable, given notice to Resimac setting out the relevant circumstances and the relevant circumstances continue to exist five Business Days (or any shorter period ending at 8.00am on the Second Court Date) after the time such notice is given;
- (i) **(Insolvency)** by any party if any other party or (in the case of termination by the Acquirer or Resimac only) any Subsidiary of the Target or SPV becomes Insolvent;
- (j) **(agreement)** if agreed to in writing by the Acquirer, Resimac and the Target; or
- (k) **(representation or warranty)** by any party if a representation or warranty given by another party under clause 13 is or becomes untrue in any material respect and the breach of the representation or warranty is of a kind that, had it been disclosed to the first party before its entry into this deed, could reasonably be expected to have resulted in that first party either not entering into this deed or entering into it on materially different terms (and the terminating party has, if practicable, given notice to the party who gave the warranty setting out the relevant circumstances and the relevant circumstances continue to exist five Business Days (or any shorter period ending at 8.00am on the Second Court Date) after the time such notice is given),

provided, in the case of any termination in circumstances where the terminating party would (or would if the Scheme does not become Effective) be liable to pay an amount under clause 11 or clause 12, termination may only occur if such amount has been paid or its payment has been secured to the satisfaction of the party which would be entitled to receive it.

## 15.2 Termination

Where a party has a right to terminate this deed, that right for all purposes will be validly exercised if the party delivers a notice in writing to the other parties stating

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that it terminates this deed (and, if relevant, complies with the proviso at the end of clause 15.1).

### **15.3 Effect of Termination**

In the event that a party terminates this deed, or if this deed otherwise terminates in accordance with its terms, then in either case all further obligations of the parties under this deed, other than the obligations set out in clauses 11, 12, 14, 15.4, 16, 17, 18 and 19 will immediately cease to be of further force and effect without further liability of any party to the other, provided that nothing in this clause releases any party from liability for any pre-termination breach of this deed.

### **15.4 Damages**

In addition to the right of termination under clause 15.1 where there is no appropriate remedy for the breach of this deed (other than termination), the non-defaulting party is entitled to damages for Losses suffered by it and expenses incurred by it as a result of the breach of this deed. Any award of damages will be reduced by any payment made under clause 11 or 12 (if any).

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## **16 Public announcements**

### **16.1 Public announcement of Scheme**

Immediately after signing this deed, the Target, the Acquirer and Resimac will issue a joint public announcement of the proposed Merger in the form contained in Annexure A.

### **16.2 Required disclosure**

Where a party is required by law, the Listing Rules or a memorandum of understanding with a Regulatory Authority to make any announcement or make any disclosure relating to a matter the subject of the Merger, it may do so only to the extent required and after it has given the other parties as much notice as possible and has consulted to the fullest extent possible in the circumstances with the other parties and their legal advisers.

### **16.3 Other announcements**

Subject to clauses 16.1 and 16.2, no party may make any public announcement or disclosure in connection with the Merger (including disclosure to a Regulatory Authority) other than in a form approved by each party (acting reasonably), subject to any approval by the other party being promptly given to ensure disclosure is made in the time required by the Listing Rules (if applicable) or the requirements of any Regulatory Authority. Each party will use its best endeavours to provide such approval as soon as practicable.

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## **17 Confidential Information**

### **17.1 Disclosure of Acquirer Confidential Information and Resimac Confidential Information**

No Acquirer Confidential Information or Resimac Confidential Information may be disclosed by the Target to any person except:

- (a) Representatives of the Target or its Related Bodies Corporate requiring the information for the purposes of this deed; or
- (b) for the purposes of preparing the Scheme Booklet, associated documentation, pleadings, evidence and submissions for the Court hearings; or

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- For personal use only
- (c) with the consent of the Acquirer in respect of the Acquirer Confidential Information or Resimac in respect of the Resimac Confidential Information which consent may be given or withheld in its absolute discretion; or
  - (d) if the Target is required to do so by law or by a stock exchange (but only to the extent required and if the requirement was not caused by a voluntary action of the Target); or
  - (e) if the Target is required to do so in connection with legal proceedings relating to this deed.

### **17.2 Use of Acquirer Confidential Information and Resimac Confidential Information**

The Target must use the Acquirer Confidential Information and Resimac Confidential Information exclusively for the purpose of due diligence and preparing the Scheme Booklet (and other documentation referred to in clause 17.1(b)) and for no other purpose (and must not make any use of any the Acquirer Confidential Information or Resimac Confidential Information to the competitive disadvantage of the Acquirer, Resimac or any of their Related Bodies Corporate).

### **17.3 Disclosure of Target Confidential Information**

No Target Confidential Information may be disclosed by the Acquirer or Resimac to any person except:

- (a) Representatives of the Acquirer or Resimac or their Related Bodies Corporate requiring the information for the purposes of this deed; or
- (b) for the purposes of pleadings, evidence and submissions for the Court hearings (where applicable); or
- (c) with the consent of the Target which consent may be given or withheld in its absolute discretion; or
- (d) if the Acquirer or Resimac is required to do so by law or by a stock exchange (but only to the extent required); or
- (e) if the Acquirer or Resimac is required to do so in connection with legal proceedings relating to this deed.

### **17.4 Use of Target Confidential Information**

The Acquirer and Resimac must use the Target Confidential Information exclusively for the purpose of due diligence, commenting on the Scheme Booklet (or for preparing or commenting on other documentation referred to in clause 17.3(b) where applicable) and for no other purpose (and must not make any use of any the Target Confidential Information to the competitive disadvantage of the Target or any of its Related Bodies Corporate).

### **17.5 Disclosure by recipient of Confidential Information**

Any party disclosing information under clause 17.1(a) or 17.1(c) or clause 17.3(a) or 17.3(c) must use reasonable endeavours to ensure that persons receiving Confidential Information from it do not disclose the information except in the circumstances permitted in clause 17.1 or clause 17.3.

### **17.6 Excluded Information**

Clauses 17.1, 17.2, 17.3, 17.4 and 17.5 do not apply to the Excluded Information.

## 17.7 Confidentiality Agreement

Each party acknowledges and agrees that it continues to be bound by the Confidentiality Agreements (for so long as that document remains in force) in respect of all information received by it from the other parties on, before or after the date of this deed.

## 17.8 Termination

This clause 17 will survive termination (for whatever reason) of this deed.

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## 18 Notices and other communications

### 18.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) signed by the sender (if an individual) or an Authorised Officer of the sender; and
- (c) marked for the attention of the person identified in the Details or, if the recipient has notified otherwise, then marked for attention in the way last notified.

### 18.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 18.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

### 18.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details;
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details;
- (c) sent by fax to the fax number set out or referred to in the Details;
- (d) sent by email to the address set out or referred to in the Details; or
- (e) given in any other way permitted by law.

However, if the intended recipient has notified a changed address, fax number or email address, then communications must be to that address, fax number or email address.

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#### **18.4 When effective**

Communications take effect from the time they are received or taken to be received under clause 18.5 (whichever happens first) unless a later time is specified.

#### **18.5 When taken to be received**

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another);
- (b) if sent by fax, at the time shown in the transmission report as the time that the whole fax was sent; or
- (c) if sent by email;
  - (i) when the sender receives an automated message confirming delivery; or
  - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

#### **18.6 Receipt outside business hours**

Despite clauses 18.4 and 18.5, if communications are received or taken to be received under clause 18.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

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### **19 Goods and services tax (GST)**

#### **19.1 Consideration GST exclusive**

Unless expressly stated otherwise in this deed, all amounts payable or consideration to be provided under this deed are exclusive of GST.

#### **19.2 Payment of GST**

If GST is payable on any supply made under this deed, for which the consideration is not expressly stated to include GST, the recipient agrees to pay to the supplier an additional amount equal to the GST payable at the same time that the consideration for the supply, or the first part of the consideration for the supply (as the case may be), is to be provided. However:

- (a) the recipient need not pay the additional amount until the supplier gives the recipient a tax invoice or an adjustment note; and
- (b) if an adjustment event arises in respect of the supply, the additional amount must be adjusted to reflect the adjustment event and the recipient or the supplier (as the case may be) must make any payments necessary to reflect the adjustment.

#### **19.3 Reimbursements**

If a party is required under this deed to indemnify another party, or pay or reimburse costs of another party, that party agrees to pay the relevant amount less any input tax credits to which the other party (or to which the representative

member for a GST group of which the other party is a member) is entitled, except to the extent that the relevant event is a taxable supply for GST purposes.

#### **19.4 Calculation of payments**

If an amount payable under this deed is to be calculated by reference to:

- (a) the price to be received for a taxable supply then, for the purposes of that calculation, the price is reduced to the extent that it includes any amount on account of GST; and
- (b) the price to be paid or provided for an acquisition then, for the purposes of that calculation, the price is reduced to the extent that an input tax credit is available for the acquisition.

#### **19.5 Interpretation**

For the purposes of this clause 19:

- (a) a term which has a defined meaning in the GST Act has the same meaning when used in this clause 19;
- (b) “**GST Act**” means the A New Tax System (Goods and Services Tax) Act 1999 (Cwth); and
- (c) each periodic or progressive component of a supply to which section 156-5(1) of the GST Act applies will be treated as though it is a separate supply.

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### **20 Miscellaneous**

#### **20.1 Discretion in exercising rights**

A party may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless this deed expressly states otherwise.

#### **20.2 Partial exercising of rights**

If a party does not exercise a right or remedy fully or at a given time, the party may still exercise it later.

#### **20.3 No liability for loss**

A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this deed.

#### **20.4 Approvals and consents**

By giving its approval or consent a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.

#### **20.5 Conflict of interest**

The parties' rights and remedies under this deed may be exercised even if it involves a conflict of duty or a party has a personal interest in their exercise.

#### **20.6 Remedies cumulative**

The rights and remedies in this deed are in addition to other rights and remedies given by law independently of this deed.

## **20.7 Variation and waiver**

A provision of this deed or a right created under it, may not be waived or varied except in writing, signed by the party or parties to be bound.

## **20.8 No merger**

The warranties, undertakings and indemnities in this deed do not merge on the Implementation Date.

## **20.9 Indemnities**

The indemnities in this deed are continuing obligations, independent from the other obligations of the parties under this deed and continue after this deed ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity under this deed.

## **20.10 Enforceability**

For the purpose of this deed:

- (a) the Target is taken to be acting as agent and trustee on behalf of and for the benefit of all Target Indemnified Parties;
- (b) the Acquirer is taken to be acting as agent and trustee on behalf of and for the benefit of all Acquirer Indemnified Parties; and
- (c) Resimac is taken to be acting as agent and trustee on behalf of and for the benefit of all Resimac Indemnified Parties,

and all of those persons are to this extent taken to be parties to this deed.

## **20.11 Knowledge and belief**

The parties agree that any statement made in this deed by a Target Person on the basis of their knowledge, information, belief or awareness, is made on the basis of matters that a Target Person:

- (a) is actually aware of; and
- (b) should reasonably be expected to be actually aware of having regard to their experience and their past and current position and responsibilities.

## **20.12 Release**

Subject to section 199A of the Corporations Act, no party, and no officer or director of a party, shall be liable for anything done or purported to be done in connection with the Scheme in good faith, but nothing in this clause shall exclude any liability which may arise from a fraudulent or grossly negligent act or omission on the part of such a person. Each party receives and holds the benefit of this release, to the extent that it relates to its officers or directors, as agent for them.

## **20.13 Further steps**

Each party agrees, at its own expense, to do anything reasonable that any other party asks (such as obtaining consents, signing and producing documents and getting documents completed and signed):

- (a) to bind the party and any other person intended to be bound under this deed; or
- (b) to show whether the party is complying with this deed.

#### **20.14 Construction**

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this deed or any part of it.

#### **20.15 Costs**

Subject to clauses 11 and 12, the parties agree to pay their own legal and other costs and expenses in connection with the preparation, execution and completion of this deed and other related documentation.

#### **20.16 Entire agreement**

This deed constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

#### **20.17 Assignment**

Subject to clause 4.7, a party may not assign or otherwise deal with its rights under this deed or allow any interest in them to arise or be varied in each case, without the consent of the other parties (except that the Acquirer may grant an Encumbrance in favour of Resimac over all or any of its rights under this deed).

#### **20.18 No undisclosed principals or undisclosed trusts**

Except as expressly stated in writing in this deed, no person enters into this deed as an agent for any other person or as trustee of any trust or on behalf or for the benefit of any other person.

#### **20.19 No representation or reliance**

Each party acknowledges that:

- (a) no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed;
- (b) it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this deed; and
- (c) clauses 20.19(a) and 20.19(b) above do not prejudice any rights a party may have in relation to information which had been filed by any other party with ASIC or ASX.

#### **20.20 Governing law**

This deed is governed by the law in force in the place specified in the Details. Each party submits to the non-exclusive jurisdiction of the courts of that place.

#### **20.21 Counterparts**

This deed may be executed in counterparts. All counterparts when taken together are to be taken to constitute one instrument.

#### **20.22 Notification**

Each party will promptly advise the other parties in writing if it becomes aware of any fact, matter or circumstance that constitutes or may constitute:

- (a) a breach of any of the representations and warranties given by it under this deed;

- (b) a Target Prescribed Event;
- (c) an event which results or may result in another party having a right to terminate this deed under clause 15.1; or
- (d) a breach by it of this deed.

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# Merger Implementation Deed

## Schedule 1 - Target Prescribed Events

- (a) **(Conversion)** the Target converts all or any of its securities into a larger or smaller number of securities.
- (b) **(Reduction of share capital)** the Target resolves to reduce its share capital in any way or reclassifies, combines, splits or redeems or repurchases directly or indirectly any of its shares.
- (c) **(Buy-back)** the Target:
- (i) enters into a buy-back agreement; or
  - (ii) resolves to approve the terms of a buy-back agreement under the Corporations Act.
- (d) **(Distribution)** other than the July Dividend, or otherwise than as agreed in connection with the Scheme, or where permitted under clause 8.2(e) or clause 8.2(h), the Target or any SPV makes or declares, or announces an intention to make or declare, any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie).
- (e) **(Issuing or granting securities or options)** the Target or any of its Subsidiaries or any SPV:
- (i) other than as part of refinancing, extending or rolling over its warehouse facilities or term funding in the ordinary course, issues new securities;
  - (ii) grants an option over its securities; or
  - (iii) agrees to make such an issue or grant such an option (including under any employment contract),
- in each case to a person outside the Target Group.
- (f) **(Convertible Securities or other instruments)** the Target or any of its Subsidiaries or any SPV:
- (i) issues securities or other instruments that (in each case) are convertible into equity or debt securities; or
  - (ii) agrees to issue securities or other instruments convertible into equity or debt securities (including under any employment contract),
- in each case to a person outside the Target Group.
- (g) **(Constitution)** the Target or any of its Subsidiaries or any SPV adopts a new constitution or modifies or repeals its constitution or a provision of it.
- (h) **(Disposals)** the Target, any of its Subsidiaries or any SPV disposes, or agrees to dispose of the whole or a material or substantial part of its or the Target Group's business or property.

- (i) **(Acquisitions, disposals or tenders)** the Target, any of its Subsidiaries or any SPV:
  - (i) acquires or disposes of;
  - (ii) agrees to acquire or dispose of;
  - (iii) offers, proposes, announces a bid or tenders for,  
any business, assets, entity or undertaking of the Target Group or the SPVs, the value of which exceeds \$2,000,000 (in aggregate, in the case of acquisitions or disposals of Mortgage Loans), other than:
    - (iv) renewal, rollover or refinancing of the Material NIM Contracts; or
    - (v) Authorised Investments.
- (j) **(Encumbrances)** other than as part of refinancing, extending or rolling over its warehouse facilities or term funding in the ordinary course, the Target, any of its Subsidiaries or any SPV creates, or agrees to create, any Encumbrance over the whole or a material or substantial part of its business or property or over any part of the Mortgage Assets.
- (k) **(Commitments and settlements)** the Target or any of its Subsidiaries or any SPV:
  - (i) enters into any contract or commitment requiring payments by one or more members of the Target Group or SPV (separately or taken as a whole) in excess of \$500,000 (after taking into account amounts available by claiming on any LMI Contract) or any other onerous or long term contract or commitment, other than payments of employee bonus amounts or entry into the Unisys Contract;
  - (ii) waives any material third party default;
  - (iii) accepts as a settlement or compromise of a material matter (relating to an amount in excess of \$2,000,000) less than the full compensation due to the Target or a Subsidiary of the Target or an SPV, other than a matter relating only to an asset in the Loan Book; or
  - (iv) becomes subject to (or threatened with) a material claim (relating to an amount in excess of \$2,000,000), other than a claim relating only to an asset in the Loan Book.
- (l) **(Insolvency)** the Target, any of its Related Bodies Corporate or an SPV becomes Insolvent.
- (m) **(Breach of law)** any member of the Target Group or an SPV takes or omits to take action which would result in a material breach of law (resulting in costs, charges, interest, penalties, fines or expenses in excess of \$2,000,000).
- (n) **(Change in accounting policy)** any member of the Target Group changes any accounting policy applied by them to report their financial position.

# Merger Implementation Deed

## Schedule 2 - Conditions Precedent (clause 3.1)

Condition	Party entitled to benefit	Party responsible
<b>1. Regulatory approvals</b>		
Before 8.00am on the Second Court Date:	All	All
(a) <b>(ASIC and ASX)</b> ASIC and ASX have issued or provided (and not withdrawn, revoked or varied) such consents, waivers, modifications, and/or approvals or have done such other acts which are necessary or the parties agree are reasonably desirable to implement the Scheme. If such consents, waivers, modifications and/or approvals are subject to conditions those conditions must be acceptable to the Target, Resimac and the Acquirer (each acting reasonably);		
(b) <b>(Regulatory Authority)</b> all other consents, waivers and approvals of a Regulatory Authority which the Acquirer and the Target, acting reasonably, consider are necessary or desirable to implement the Scheme are obtained. If such consents, waivers and/or approvals are subject to conditions those conditions must be acceptable to the Target, Resimac and the Acquirer (each acting reasonably); and	All	All
(c) <b>(Court orders)</b> no Court or other court of competent jurisdiction or Regulatory Authority has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise	All	All

Condition	Party entitled to benefit	Party responsible
<p>imposing a legal restraint or prohibition preventing the implementation of any material aspect of the Merger and no such order, decree, ruling, other action or refusal is in effect.</p>		
<p><b>2. Scheme approval</b></p> <p>The Target Shareholders approve the Scheme by the requisite majorities in accordance with the Corporations Act.</p>	Cannot be waived	Target
<p><b>3. Court approval</b></p> <p>The Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.</p>	Cannot be waived	Target
<p><b>4. Independent Expert</b></p> <p>The Independent Expert issues a report which concludes that the Scheme is in the best interests of the Target Shareholders before the date on which the Scheme Booklet is lodged with ASIC and does not change that conclusion or, having reached that conclusion, withdraws the Independent Expert's Report prior to the Second Court Date.</p>	Target	Target
<p><b>5. No Target Prescribed Event</b></p> <p>No Target Prescribed Event occurs between the date of this deed and 8.00am on the Second Court Date.</p>	Acquirer and Resimac	Target
<p><b>6. No Target Material Adverse Change</b></p> <p>No Target Material Adverse Change occurs between the date of this deed and 8.00am on the Second Court Date.</p>	Acquirer and Resimac	Target
<p><b>7. Target representations and warranties</b></p> <p>The Target's representations and warranties set out in Schedule 7 are true and correct in all material respects as at the date of this deed and as at 8.00am on the Second Court Date.</p>	Acquirer and Resimac	Target
<p><b>8. Acquirer representations and warranties</b></p> <p>The Acquirer's representations and</p>	Target	Acquirer

Condition	Party entitled to benefit	Party responsible
warranties set out in Schedule 8 are true and correct in all material respects as at the date of this deed and as at 8.00am on the Second Court Date.		
<b>9. Resimac representations and warranties</b>	Target	Resimac
Resimac's representations and warranties set out in Schedule 9 are true and correct in all material respects as at the date of this deed and as at 8.00am on the Second Court Date.		
<b>10. Deed Poll – D&amp;O insurance</b>	Target	Acquirer
The Acquirer issues a deed poll benefiting the current and previous directors and officers of any Target Group in relation to the ongoing provision of directors and officers insurance policies in favour of those directors and officers, on terms that are acceptable to the current directors and officers acting reasonably.		
<b>11. Financial assistance resolution</b>	Acquirer and Resimac	Target
The Target Shareholders approve the Financial Assistance Resolution by special resolution in accordance with the Corporations Act.		
<b>12. Board changes</b>	Acquirer and Resimac	Target
Before 8.00am on the Second Court Date:		
(a) <b>(Target Group)</b> all required regulatory approvals (if any) are obtained to permit the steps referred to in paragraphs (a), (b) and (c) of clause 8.6;		
(b) <b>(SPVs - BNY)</b> BNY resolves to remove the directors of the SPVs and appoint directors to the SPVs in accordance with the Acquirer's directions subject to the Scheme becoming Effective,		
(c) <b>(SPVs – Other)</b> any required regulatory or other approvals are obtained to permit the retirement and appointment of directors to the SPVs in accordance with the Acquirer's		

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**Condition**

**Party entitled to benefit**

**Party responsible**

directions.

# Merger Implementation Deed

## Schedule 3 - Timetable (clause 5.1)

<b>Event</b>	<b>Date</b>
Lodge Scheme Booklet with ASIC	Early August 2013
Application in respect of the Court hearing to be held on the First Court Date, filed with the Court, served on ASIC and delivered to ASX	Early August 2013
First Court Date	Mid August 2013
Printing and despatch of Scheme Booklet	Mid to late August 2013
Scheme Meeting and general meeting to pass Financial Assistance resolution held	Mid to late September 2013
Notice to ASIC of passage of Financial Assistance Resolution (same day as Scheme Meeting)	Mid to late September 2013
Second Court Date	Late September to early October 2013
Lodge Court order with ASIC (Effective Date)	Late September to early October 2013
Record Date	Early to mid October 2013
Implementation Date (later of Record Date plus one Business Day and 14 days after notice to ASIC of passage of Financial Assistance Resolution)	Mid to late October 2013

# Merger Implementation Deed

## Schedule 4 - Target's Obligations (clause 6.1)

- 1 **(Target Information)** ensure that the Target Information included in the Scheme Booklet complies with the Corporations Act, the Corporations Regulations, the Listing Rules and ASIC Regulatory Guide 60.
- 2 **(Further Target Information)** provide to the Acquirer, Resimac and Scheme Participants such further or new Target Information as may arise after the Scheme Booklet has been despatched until the date of the Scheme Meeting as may be necessary to ensure that the Target Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission) and does not omit any information required by law.
- 3 **(Independent Expert)** promptly appoint the Independent Expert and provide any assistance and information reasonably requested by the Independent Expert to enable it to prepare the Independent Expert's Report for the Scheme Booklet.
- 4 **(Provide a copy of the Independent Expert's Report)** on receipt, provide the Acquirer and Resimac with a copy of all drafts of the Independent Expert's Report received by the Target from the Independent Expert from time to time for review for factual accuracy.
- 5 **(Promote merits of the Merger)** participate in and ensure that the Target Board participates in efforts reasonably requested by the Acquirer and Resimac to promote the merits of the Merger, including meeting with key Target Shareholders at the reasonable request of the Acquirer or Resimac, unless and until the recommendations of the Target Directors contemplated by clauses 6.4(a) or 6.4(b) are withdrawn or adversely modified because of a Superior Proposal or because the Independent Expert concludes that the Scheme is not in the best interests of the Target Shareholders.
- 6 **(Registry details)** subject to the terms of the Scheme:
- (a) provide all necessary information about the Scheme Participants to the Acquirer and Resimac which the Acquirer or Resimac requires in order to assist the Acquirer or Resimac to solicit votes at the Scheme Meeting; and
  - (b) provide all necessary directions to the Registry to promptly provide any information that the Acquirer or Resimac reasonably requests in relation to the Register, including any sub-register, and, where requested by the Acquirer or Resimac, the Target must procure such information to be provided to the Acquirer or Resimac in such electronic form as is reasonably requested by the Acquirer or Resimac.
- 7 **(Section 411(17)(b) statement)** apply to ASIC for the production of a statement pursuant to section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme.
- 8 **(Court application and representation)** apply to the Court for an order under section 411(1) of the Corporations Act directing Target to convene the Scheme Meeting and engage counsel reasonably experienced in schemes of arrangement to represent Target in all Court proceedings related to the Scheme and provide drafts and consult with the Acquirer and Resimac in relation to the



content of any document required for the purpose of the Scheme (including originating process, affidavits, submissions and draft minutes of Court orders) and take into account all reasonable comments provided for and on behalf of the Acquirer and Resimac in relation to such documents.

- 9 **(Registration of explanatory statement)** request ASIC to register the explanatory statement included in the Scheme Booklet in relation to the Scheme in accordance with section 412(6) of the Corporations Act.
- 10 **(Send Scheme Booklet)** send the Scheme Booklet to Target Shareholders as soon as practicable after the Court orders the Target to convene the Scheme Meeting and otherwise substantially in accordance with the Timetable.
- 11 **(Resolutions)** convene the Scheme Meeting in accordance with any such orders made by the Court, and convene a general meeting of Target Shareholders (to be held immediately after the Scheme Meeting) to pass the Financial Assistance Resolution, and seek the approval of the Target Shareholders for the Resolutions and, for this purpose, the Target Directors must participate in reasonable efforts to promote the merits of the Scheme, including meeting with key Target Shareholders at the reasonable request of the Acquirer and Resimac.
- 12 **(Proxy reports)** request the Registry to report to it and the Acquirer and Resimac and their Representatives on the status of proxy forms received by the Registry for the Resolutions, at 10 Business Days before the Scheme Meeting, at each subsequent Business Day up to the deadline for receipt of proxy forms and at such deadline. Provide to the Acquirer and Resimac such other information as it may receive concerning the voting intentions of the Target Shareholders.
- 13 **(Financial Assistance Resolution)** Give notice to ASIC of passage of Financial Assistance Resolution once that has occurred and otherwise comply with the requirements of the Corporations Act in relation to the Financial Assistance Resolution.
- 14 **(Court order)** apply to the Court for an order approving the Scheme in accordance with sections 411(4)(b) and 411(6) of the Corporations Act (and, if relevant and the Acquirer so requests, an order in accordance with section 411(4)(a)(ii)(A) of the Corporations Act dispensing with the need for the Resolution in relation to the Scheme to be passed by a majority in number of the members present and voting (either in person or by proxy)).
- 15 **(Certificate)** provide the Court on the Second Court Date with a certificate confirming (in respect of matters within its knowledge) whether all the conditions precedent as set out in Schedule 2 (other than the condition relating to Court approval of the Scheme - item 3) have been satisfied or waived in accordance with the terms of this deed.
- 16 **(Lodge)** on the Second Court Date lodge with ASIC an office copy of any such Court order approving the Scheme as approved by the Target Shareholders at the Scheme Meeting in accordance with section 411(10) of the Corporations Act.
- 17 **(Register information)** close the Register as at 7.00pm on the Record Date.
- 18 **(Registration)** register all transfers of the Target Shares to the Acquirer on the Implementation Date.
- 19 **(Listing)** take all reasonable steps to maintain the Target's listing on ASX, notwithstanding any suspension of the quotation of the Target Shares, up to and including the Implementation Date, including making appropriate applications to ASX and ASIC.

- 20 **(Compliance with laws)** use its best endeavours to do everything reasonably within its power to ensure that the transactions contemplated by this deed are effected in accordance with all laws and regulations applicable in relation to the Scheme.
- 21 **(Suspension of incentive plans)** with effect from date of this deed, suspend all of its executive and employee incentive plans and any other plans that will or could result in securities in the Target being issued to any person.
- 22 **(Termination of incentive plans)** subject to Court approval of the Scheme, but with effect from the Implementation Date or such later date agreed by the parties acting reasonably, terminate all of its executive and employee incentive plans and any other plans (if any) that will or could result in securities in the Target being issued to any person.
- 23 **(Other steps)** do all other things necessary to give effect to the Scheme and the orders of the Court approving the Scheme.
- 24 **(Adviser fees)** on reasonable written request from the Acquirer or Resimac, provide the Acquirer and Resimac with details of fees and disbursements incurred by the Target, with its financial and legal advisers.
- 25 **(Consents, approvals and confirmations)** co-operate with Resimac (and entities nominated by Resimac) and provide reasonable assistance in connection with obtaining consents, approvals and confirmations as may be required by Resimac or its nominated entities in relation to, or under or in connection with this deed and the transactions contemplated by it, including applications for regulatory approval (including foreign), and any other assistance reasonably requested by Resimac or its nominated entities.
- 26 **(Cut-Off Data Tape)** deliver to Resimac the Cut-Off Data Tape at or about 10.00am on the Implementation Date, prior to the payment of the Scheme Consideration on the Implementation Date.
- 27 **(Data Room)** deliver a complete copy of the Data Room to the Acquirer and Resimac on or by the Implementation Date.

# Merger Implementation Deed

## Schedule 5 - Acquirer's Obligations (clause 6.2)

- 1 **(Acquirer Information)** prepare and promptly provide to the Target for inclusion in the Scheme Booklet such Acquirer Information as the Target reasonably requires to prepare and issue the Scheme Booklet (including any information required under the Corporations Act, Corporations Regulations, the Listing Rules or ASIC Regulatory Guide 60 and information regarding sources of funding for the Scheme Consideration).
- 2 **(Review of Scheme Booklet)** review the drafts of the Scheme Booklet prepared by the Target and provide comments as soon as practicable.
- 3 **(Further Acquirer Information)** promptly provide to the Target such further or new Acquirer Information as may arise after the Scheme Booklet has been sent until the date of the Scheme Meeting as may be necessary to ensure that the Acquirer Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission) and does not omit any information required by law.
- 4 **(Independent Expert information)** provide any assistance or information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's report to be included in the Scheme Booklet.
- 5 **(Representation)** procure that it is represented by counsel at the Court hearings convened for the purposes of section 411(4)(b) of the Corporations Act, at which, through its counsel the Acquirer must undertake (if requested by the Court) to do all such things and take all such steps within its power as may be necessary in order to ensure the fulfilment of its obligations under this deed and the Scheme.
- 6 **(Certificate)** provide the Court on the Second Court Date with a certificate confirming (in respect of matters within its knowledge) whether all the conditions precedent as set out in Schedule 2 (other than the condition relating to Court approval of the Scheme - item 3) have been satisfied or waived in accordance with the terms of this deed.
- 7 **(Deed Poll)** prior to the Scheme Booklet being sent to the Target Shareholders, sign and deliver the Deed Poll.
- 8 **(Share transfer)** if the Scheme becomes Effective, accept a transfer of the Target Shares as contemplated by clause 4.1(a) and the Scheme.
- 9 **(Consideration)** if the Scheme becomes Effective, procure the payment of the Scheme Consideration to the Target in the manner and amount contemplated by clause 4.3(a) and the Deed Poll.
- 10 **(Compliance with laws)** use its best endeavours to do everything reasonably within its power to ensure that the transactions contemplated by this deed are effected in accordance with all laws and regulations applicable in relation to the Scheme.
- 11 **(Other steps)** do all other things necessary to give effect to the Scheme and the orders of the Court approving the Scheme.

# Merger Implementation Deed

## Schedule 6 - Resimac's Obligations (clause 6.3)

- 1 **(Resimac Information)** prepare and promptly provide to the Target for inclusion in the Scheme Booklet such Resimac Information as the Target reasonably requires to prepare and issue the Scheme Booklet (including any information required under the Corporations Act, Corporations Regulations, the Listing Rules or ASIC Regulatory Guide 60).
- 2 **(Review of Scheme Booklet)** review the drafts of the Scheme Booklet prepared by the Target and provide comments as soon as practicable.
- 3 **(Further Resimac Information)** promptly provide to the Target such further or new Resimac Information as may arise after the Scheme Booklet has been sent until the date of the Scheme Meeting as may be necessary to ensure that the Resimac Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission) and does not omit any information required by law.
- 4 **(Independent Expert information)** provide any assistance or information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's report to be included in the Scheme Booklet.
- 5 **(Representation)** procure that it is represented by counsel at the Court hearings convened for the purposes of section 411(4)(b) of the Corporations Act, at which, through its counsel Resimac must undertake (if requested by the Court) to do all such things and take all such steps within its power as may be necessary in order to ensure the fulfilment of its obligations under this deed.
- 6 **(Certificate)** provide the Court on the Second Court Date with a certificate confirming (in respect of matters within its knowledge) whether all the conditions precedent as set out in Schedule 2 (other than the condition relating to Court approval of the Scheme - item 3) have been satisfied or waived in accordance with the terms of this deed.
- 7 **(Compliance with laws)** use its best endeavours to do everything reasonably within its power to ensure that the transactions contemplated by this deed are effected in accordance with all laws and regulations applicable in relation to the Scheme.

## Schedule 7 - Target's representations and warranties (clause 13.1)

- 1 **(Incorporation)** it is a valid existing corporation registered under the laws of its place of incorporation.
- 2 **(Execution)** the execution and delivery of this deed has been properly authorised by all necessary corporate action of the Target.
- 3 **(Corporate power)** it has full corporate power and lawful authority to execute and deliver this deed and to consummate and perform or cause to be performed its obligations under this deed in accordance with its terms.
- 4 **(Binding obligations)** (subject to laws generally affecting creditors' rights and the principles of equity) this deed constitutes legal, valid and binding obligations on it.
- 5 **(Target Information)** the Target Information provided in accordance with this deed and included in the Scheme Booklet, as at the date of the Scheme Booklet, will not contain any material statement which is misleading or deceptive in any material respect nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the Corporations Regulations, the Listing Rules and ASIC Regulatory Guide 60.
- 6 **(Due diligence)** to the best of the knowledge of each Target Person as at the date of this deed, all Due Diligence Materials were prepared in good faith, are true and correct in all material respects and are not misleading in any material respect, whether by way of omission or otherwise.
- 7 **(Reliance)** the Target Information contained in the Scheme Booklet will be included in good faith and on the understanding that the Acquirer and Resimac and their directors will rely on that information for the purposes of considering and approving the Acquirer Information and Resimac Information in the Scheme Booklet before it is despatched, approving the entry into the Deed Poll and implementing the transactions contemplated by this deed.
- 8 **(Further information)** the Target will, as a continuing obligation, provide to the Acquirer and Resimac all such further or new information which may arise after the date of the Scheme Booklet until the date of the Scheme Meeting which may be necessary to ensure that there would be no breach of item 5 of this schedule if it applied as at the date upon which that information arose.
- 9 **(Continuous disclosure)** the Target is not in breach of its continuous disclosure obligations under the Corporations Act and the Listing Rules in any material respect and is not relying on the carve-out in Listing Rule 3.1A to withhold any material information from disclosure.
- 10 **(Periodic disclosure)** the periodic financial disclosures made by the Target in its annual financial report and half-yearly financial report were not misleading or deceptive in any material respect when made and are prepared in accordance with the Corporations Act and with all relevant Accounting Standards in all material respects and give a true and fair view of the financial position and

performance of the Target Group and Securitisation Vehicles as at the date they were made.

- 11 **(Opinions)** any statement of opinion or belief contained in the Target Information is honestly held and there are reasonable grounds for holding the opinion or belief.
- 12 **(Provision of information to the Independent Expert)** all information provided by or on behalf of the Target to the Independent Expert to enable the Independent Expert's report to be included in the Scheme Booklet to be prepared and completed will be provided in good faith and on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's report.
- 13 **(Compliance)** it and its Subsidiaries and the SPVs have complied in all material respects with all Australian and foreign laws and regulations applicable to them and orders of Australian and foreign governmental agencies having jurisdiction over them and have all material licenses, permits and franchises necessary for them to conduct their respective businesses as presently being conducted.
- 14 **(Insolvency)** no member of the Target Group or the SPV is Insolvent.
- 15 **(No default - Group)** neither it nor any of its Subsidiaries nor any SPV is in material default under any document, agreement or instrument binding on it or its assets nor has anything occurred which is or would with the giving of notice or lapse of time constitute an event of default, prepayment event or similar event, or give another party thereto a termination right or right to accelerate any right or obligation, under any such document or agreement with such an effect, and to the best of the knowledge of each Target Person, no other party to any such document, agreement or instrument is in material breach thereof or material default thereunder, where such breach or default will, or would reasonably be likely to have a material adverse effect on the Target.
- 16 **(Material NIM Contracts)** each Material NIM Contract is in full force and effect and constitutes a valid and binding obligation of any member of the Target Group or an SPV which is party thereto and is enforceable against such member of the Target Group or SPV in accordance with its terms. To the best of the knowledge of each Target Person, each Material NIM Contract is a valid and binding obligation of each other party thereto and enforceable against such other party in accordance with its terms.
- 17 **(Securities)** the Target's issued securities as at the date of this deed are 308,483,177 fully paid ordinary shares quoted on ASX, and the Target has not issued, or agreed to issue, any other securities or instruments which are still outstanding and which may convert into Target Shares or any other securities in the Target.
- 18 **(No Encumbrances)** there is no Encumbrance over all or any of its assets or revenues, other than as disclosed.
- 19 **(Current Actions)** neither the Target nor any of its Subsidiaries nor any SPV is:
- (a) a party to or the subject of any Action other than:
    - (i) any Action which the Target believes, acting reasonably, to be inconsequential; and
    - (ii) which is in relation to, or in connection with, the enforcement of any individual Mortgage Loan or related security; or

- (b) the subject of any ruling, judgement, order or decree by any Regulatory Authority or any other person.

20 **(Pending, threatened or anticipated Actions)** to the best of the knowledge of each Target Person, there is no Action, judgment, order or decree pending, threatened or anticipated, against the Target or any of its Subsidiaries or any SPV, other than:

- (a) any Action which the Target believes, acting reasonably, to be inconsequential; and
- (b) which is in relation to, or in connection with, the enforcement of any individual Mortgage Loan or related security.

21 **(Benefit plans)**

- (a) The Due Diligence Materials include a list of all Benefit Plans and complete and accurate copies of all such Benefit Plans.
- (b) Each Benefit Plan, other than any redundancy plan, has been funded and maintained, in form and operation, in accordance with its terms, applicable labour agreements and applicable law in all material respects.
- (c) Neither the Target nor any of its Subsidiaries maintains, contributes to or has any liability with respect to any defined benefit pension plan, defined benefit superannuation fund or any plan or arrangement that requires (or could require) the Target or its Subsidiaries to provide post-employment welfare benefits (other than as required under applicable laws).
- (d) No Actions are pending or threatened with respect to any Benefit Plan.
- (e) The consummation of the transactions contemplated by this deed will not accelerate the time of the payment or vesting of, or increase the amount of, or result in the forfeiture of compensation or benefits under any Benefit Plan, other than any redundancy plan.

22 **(Disclosure)** the Due Diligence Materials include all material information requested in writing by the Acquirer, Resimac or their Representatives in connection with the transactions contemplated by this deed which is actually known to the Target Persons as at the date of this deed and has not knowingly modified or withheld any information from the Acquirer or Resimac.

23 **(Change of control provisions)** the Due Diligence Materials include all Material Contracts which result in, or could result in:

- (a) any monies borrowed by any member of the Target Group or any SPV being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement;
- (b) any such agreement being terminated or modified or any action being taken or arising thereunder;
- (c) the interest of any member of the Target Group or any SPV in any firm, joint venture, trust, corporation or other entity (or any arrangements relating to such interest) being terminated or modified; or
- (d) the business of any member of the Target Group or any SPV with any other person being adversely affected,

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as a result of the Target entering into this deed or the transactions contemplated by it including the acquisition of the Target Shares by the Acquirer.

- 24 **(Cut-Off Data Tape)** the Cut-Off Data Tape will be prepared in good faith, and will be true and correct and will not be misleading whether by way of omission or otherwise.

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# Merger Implementation Deed

## Schedule 8 - Acquirer's representations and warranties (clause 13.4)

The representations and warranties set out in this Schedule 8 are given by the Acquirer except where otherwise expressly stated.

- 1 **(Incorporation)** it is a valid existing corporation registered under the laws of its place of incorporation.
- 2 **(Execution)** the execution and delivery of this deed has been properly authorised by all necessary corporate action of the Acquirer.
- 3 **(Corporate power)** it has full corporate power and lawful authority to execute and deliver this deed and to consummate and perform or cause to be performed its obligations under this deed in accordance with its terms.
- 4 **(Binding obligations)** (subject to laws generally affecting creditors' rights and the principles of equity) this deed constitutes legal, valid and binding obligations on it.
- 5 **(Reliance)** the Acquirer Information provided to the Target for inclusion in the Scheme Booklet will be provided in good faith and on the understanding that the Target and its directors will rely on that information for the purposes of preparing the Scheme Booklet and proposing and implementing the transactions contemplated by this deed in accordance with the Corporations Act.
- 6 **(Acquirer Information)** the Acquirer Information provided in accordance with this deed and included in the Scheme Booklet, as at the date of the Scheme Booklet, will not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the Corporations Regulations, the Listing Rules and ASIC Regulatory Guide 60.
- 7 **(Further information)** the Acquirer will, as a continuing obligation, provide to the Target all such further or new information which may arise after the date of the Scheme Booklet until the date of the Scheme Meeting which may be necessary to ensure that there would be no breach of item 6 of this Schedule if it applied as at the date on which that information arose.
- 8 **(Opinions)** any statement of opinion or belief contained in the Acquirer Information is honestly held and there are reasonable grounds for holding the opinion or belief.
- 9 **(Provision of information to Independent Expert)** all information provided by or on behalf of the Acquirer to the Independent Expert to enable the Independent Expert's report to be included in the Scheme Booklet to be prepared and completed will be provided in good faith and on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's report.
- 10 **(Funding)** on and from 8.00am on the First Court Date the Acquirer will have available to it, and on the date of execution of this deed and at all times before the First Court Date the Acquirer has reasonable grounds for believing it will have available to it, sufficient cash amounts (whether from internal cash resources or

external funding arrangements or a combination of both) to satisfy its obligation to pay the Scheme Consideration in accordance with the obligations under this deed, the Deed Poll and the Scheme and to provide the Target with funding in accordance with clause 4.3(a) of this deed.

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## Schedule 9 - Resimac's representations and warranties (clause 13.7)

The representations and warranties set out in this Schedule 9 are given by Resimac except where otherwise expressly stated.

- 1 **(Incorporation)** it is a valid existing corporation registered under the laws of its place of incorporation.
- 2 **(Execution)** the execution and delivery of this deed has been properly authorised by all necessary corporate action of Resimac.
- 3 **(Corporate power)** it has full corporate power and lawful authority to execute and deliver this deed and to consummate and perform or cause to be performed its obligations under this deed in accordance with its terms.
- 4 **(Binding obligations)** (subject to laws generally affecting creditors' rights and the principles of equity) this deed constitutes legal, valid and binding obligations on it.
- 5 **(Reliance)** the Resimac Information provided to the Target for inclusion in the Scheme Booklet will be provided in good faith and on the understanding that the Target and its directors will rely on that information for the purposes of preparing the Scheme Booklet and proposing and implementing the transactions contemplated by this deed in accordance with the Corporations Act.
- 6 **(Resimac Information)** the Resimac Information provided in accordance with this deed and included in the Scheme Booklet, as at the date of the Scheme Booklet, will not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the Corporations Regulations, the Listing Rules and ASIC Regulatory Guide 60.
- 7 **(Further information)** Resimac will, as a continuing obligation, provide to the Target all such further or new information which may arise after the date of the Scheme Booklet until the date of the Scheme Meeting which may be necessary to ensure that there would be no breach of item 6 of this Schedule if it applied as at the date on which that information arose.
- 8 **(Opinions)** any statement of opinion or belief contained in the Resimac Information is honestly held and there are reasonable grounds for holding the opinion or belief.
- 9 **(Provision of information to Independent Expert)** all information provided by or on behalf of Resimac to the Independent Expert to enable the Independent Expert's report to be included in the Scheme Booklet to be prepared and completed will be provided in good faith and on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's report.
- 10 **(Guarantee)** Resimac guarantees the due and punctual performance and observance by the Acquirer of all of the Acquirer's obligation under this deed, including but not limited to the Acquirers obligations to pay the Scheme Consideration in accordance with clause 4.3(a) of this deed. However, Resimac's

guarantee only extends to the Acquirer's compliance with clause 5.5 to the extent that such compliance relates to any employee entitlements or redundancy entitlements

11. **(Financial capacity and means)** Resimac has the financial capacity and means to satisfy its guarantee obligations under clause 4.4 of this deed.
12. **(Refinancing)** Resimac has term sheets in the agreed form in respect of the warehouse refinancing negotiations.

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# Merger Implementation Deed

Annexure A - Announcement (clause 16.1)

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Annexure B - Scheme (clause 1.1)

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## Annexure C - Deed Poll (clause 1.1)

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# Merger Implementation Deed

## Annexure D – Cashflow Schedule (clause 1.1)

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